



# **GEORGIA PUBLIC SERVICE COMMISSION**

**142<sup>nd</sup> ANNUAL REPORT**

**2020**

**Chairman Chuck Eaton  
Vice Chairman Tim Echols  
Commissioner Lauren “Bubba” McDonald  
Commissioner Tricia Pridemore  
Commissioner Jason Shaw**

## 2020 GEORGIA PUBLIC SERVICE COMMISSION



**Commissioners (left to right) Chairman Chuck Eaton, Jason Shaw, Tricia Pridemore, Vice-chair Tim Echols, and Lauren “Bubba” McDonald**

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# LETTER TO THE GOVERNOR

April 20, 2021

The Honorable Brian Kemp  
Governor  
203 State Capitol  
Atlanta, Georgia 30334

Dear Governor Kemp,

The Georgia Public Service Commission presents its 2020 Annual Report, pursuant to O.C.G.A. §46-2-31, which highlights the agency's major activities and achievements during the past year regarding the state's regulated utilities, telecommunications and infrastructure protection.

This past year, as every department in Georgia is sure to report, was affected greatly by the COVID-19 pandemic. Regular hearings were held virtually and telecommuting became the norm. Regardless, the PSC fulfilled its mission due in no small part to the dedication of its staff and my fellow elected Commissioners.

In 2020, the PSC once again proved a valuable asset to the state. For the fiscal year, the Commission returned \$1,571,305 to the state treasury in the form of regulatory fees and assessed fines. This was about equal the return for FY2019 but it was done with fewer staffers and a smaller PSC budget.

At the Commission, we do keep an eye to the future. Vogtle 3 and 4 are slated to come online by the ends of this year and 2022 respectively, although new reports suggest delays that could push the Vogtle 3 start up into the beginning of 2022. Regardless, this will see a new workload for the Commission and staff beyond even what we have seen over the past few years.

In the meantime, the Commission continues to ensure Georgia consumers receive the best possible value in utility and telecommunication services, while enforcing natural gas pipeline safety and protecting the utility infrastructure from damage.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Chuck Eaton", with a stylized flourish at the end.

Chuck Eaton, Chairman  
Tim G. Echols, Vice-chairman  
Lauren "Bubba" McDonald, Commissioner,  
Tricia Pridemore, Commissioner  
Jason Shaw, Commissioner

## **PUBLIC SERVICE COMMISSION PROFILES**



**Chuck Eaton**

**Commissioner Since: January 1, 2007**

**Elected: 2006, Re-elected: 2012, 2018**

**Serves Through: December 31, 2024**

**Republican, Fulton County, Georgia**

### **Chairman, 2020 Georgia Public Service Commission**

In 2018, Chuck Eaton was elected to his third term on the Georgia Public Service Commission. He was first elected in December 2006 and was one of only two statewide Republican candidates in the nation to beat an incumbent that year. In 2012, after Eaton was re-elected to a second term on the Commission, he was named PSC Chairman. In 2014, his fellow Commissioner's re-elected him to a second two-year term as Chairman. He also served as Chair in 2008.

Prior to his service on the Commission, Eaton worked in real estate sales in Atlanta. Before that, he was an account executive for a packaging manufacturer in LaGrange, Georgia.

Eaton has been involved in the political process for a long time. In 1992, he served as Congressman Phil Crane's Deputy Campaign Manager. In Troup County he successfully managed multiple campaigns for former Representative Jeff Brown. He is a graduate of the Coverdell Leadership Institute – a statewide organization founded by late U.S. Senator Paul D. Coverdell to strengthen leadership and political skills.

He is the past President of the Buckhead Forest Civic Association and was a representative to the Atlanta Neighborhood Planning Unit "B" – a citizen group that makes recommendations on zoning, land use, public safety and community issues. In Troup County he served on the Board of Directors for Troup Haven House, a children's shelter.

Eaton earned a degree in accounting from the University of Alabama. During his first term as a PSC Commissioner, Eaton recognized the judicial nature of the Commission's work. In order to gain a better understanding of regulatory and administrative law proceedings, he enrolled in night classes for law school at Georgia State University. He earned his law degree in 2012 and is admitted to practice law in Georgia.

Eaton lives in Atlanta with his wife Erika, their daughters Lydia and Lily and their two rescue dogs. When not working at the Public Service Commission he enjoys spending time with his family. The Eatons are members of Peachtree Road United Methodist Church.



## **Tim G. Echols**

**Commissioner Since: January 1, 2011**

**Elected: 2010, Re-elected: 2016**

**Serves Through: December 31, 2022**

**Republican, Hoschton, Georgia**

### **Vice-chair, 2020 Georgia Public Service Commission**

A younger Tim Echols was selected by the Atlanta Airport Rotary Club as "Student of the Year" from his high school in 1978. While at the luncheon, he met Truett Cathy, a member of the Atlanta Airport Rotary Club. After the meeting, Truett invited Tim to come by his Hapeville office and there gave him a set of motivational tapes and a challenge. Echols said the tapes changed his life and as a result of listening to Zig Ziglar and his teaching, Tim set a goal to be a statewide elected official.

Shortly after graduating from UGA, Tim and his wife Windy founded TeenPact, a training experience for conservative high school students. The program began at the Georgia Capitol and now operates in 45 states having trained 50,000 students. After building TeenPact, Echols ran for and was elected to statewide office in 2010 serving as Public Service Commissioner.

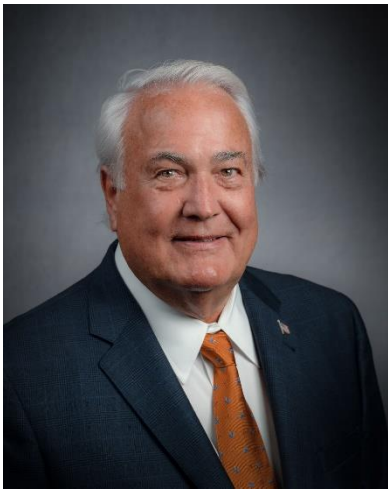
The PSC's primary job is energy regulation. When he took office, Georgia was 34th in solar power. Now, 11 years later the state is 10th in the nation in approved solar. Echols created the Clean Energy Roadshow that has traveled the state every summer for the last eight years. This educational event travels to cities around the state helping commuters, businesses and municipal governments evaluate alternative fuel for their transportation and residential use.

Tim authored the December 2017 motion to keep Plant Vogtle moving forward. He believes carbon-free nuclear energy plus solar is the way forward for Georgia. He has represented the United States at the World Nuclear Exhibition for the last six years.

Tim has been at the forefront in fighting human sex trafficking. He created the "Unholy Tour" that helps policy makers see first-hand the harms of human trafficking. As a part of his efforts to educate the public about the harms of trafficking, Echols created the Wilberforce Fellowship that meets once per year at Georgia's oldest state park, Indian Springs. Tim and Judge Tim Batten head up this effort.

Tim has a weekly radio show called Energy Matters airing on Cox Media Group and back episodes can be found at [WGAU Radio - Energy Matters](#)

Tim and his wife, Windy, have been married 37 years and they have seven children. He has 3 degrees from the University of Georgia and lives in Hoschton, Georgia.



## **Lauren “Bubba” McDonald**

**Commissioner Since: January 1, 2009**

**Elected: 1998, 2008; Re-elected: 2014, 2020**

**Serves Through: December 31, 2026**

**Republican, Clarkesville, Georgia**

### **Commissioner, 2020 Georgia Public Service Commission**

McDonald, who served 20 years as a state Representative, was appointed to the Commission in June 1998 by Governor Zell Miller to fill a vacated post and then re-elected in a special mid-term election in November 1998. He held the seat until 2002. In 2008, 2014 and 2020, Georgians again elected McDonald to serve on the Commission.

McDonald has a deep knowledge of the energy industry. He puts that knowledge to work as a member of the Electric Committee of the National Association of Regulatory Utility Commissioners and as an executive member of the Nuclear Waste Strategy Coalition.

During his time on the Commission McDonald has presided over the advent of solar power in Georgia resulting in the state becoming one of the top five fastest growing in the nation for solar energy. He has accomplished this through a conservative and thoughtful free-market approach without putting upward pressure on rates and without state-sponsored financial incentives. In 2013, Georgia had virtually no solar power on the grid. McDonald was able to garner support to add 525 megawatts of solar energy to the portfolio of the state's investor owned utility. Currently, utility companies are erecting solar power facilities that will provide a total of 4,610 megawatts of solar energy by 2022. McDonald has also supported the construction of solar facilities at six of Georgia's military bases, contributing to national security and helping to protect the bases from future base closure proposals.

McDonald is a graduate of the University of Georgia with a BBA in Business. He also served six years in the Georgia Air National Guard. He owns businesses in the private sector and is married to Shelley McDonald. He was married to the late Sunny Nivens McDonald for 45 years. He has a son, Lauren, three grandchildren, and four step-grandchildren.





## **Tricia Pridemore**

**Commissioner Since: February 21, 2018**

**Elected: November 2018**

**Serves through: December 31, 2024**

**Republican, Marietta, Georgia**

### **Commissioner, 2020 Georgia Public Service Commission**

Tricia Pridemore joined the Georgia Public Service Commission in 2018. In addition to electric and natural gas regulation and policy, she currently chairs the Telecommunications Committee and focuses on telecom matters, including rural broadband. In addition to her duties with the Commission, she serves on the Advisory Board of the Financial Research Institute at the University of Missouri, the Gas Committee of the National Association of Regulatory Utility Commissioners (NARUC) and the NARUC Subcommittee on Education and Research. She is also the NARUC liaison to the University of Wisconsin School of Public Utilities. In 2020, Pridemore was appointed to the U.S. Department of Energy and NARUC Natural Gas Partnership, a partnership designed to facilitate the exchange of information on emerging regulatory and technological solutions.

Commissioner Pridemore is a businesswoman with a background in technology, consulting and workforce development. Since the acquisition of Accucast, the software company she founded with her husband, she served on the Georgia World Congress Center Board of Governors, the 2011 Transition team of Governor Deal and co-chaired both of Governor Nathan Deal's Inaugural Committees in 2011 and 2015.

Commissioner Pridemore formerly served as the Executive Director of the Governor's Office of Workforce Development and started Georgia's skilled trade initiative aimed at encouraging careers in the energy, transportation and construction trades. She was also a member of the Cobb Galleria Authority Board of Governors. Pridemore is a member of the Rotary Club of Marietta, established in 1919.

Commissioner Pridemore earned a bachelor's degree from Kennesaw State University. She and her high school sweetheart turned husband, Michael, reside in Marietta, Georgia and are members of Mount Paran Church in Atlanta, where Tricia serves on the Women's Ministries Board.





## **Jason Shaw**

**Commissioner Since: January 3, 2019**

**Elected: November 2020**

**Serves through: December 31, 2026**

**Republican, Lanier County, Georgia**

### **Commissioner, 2020 Georgia Public Service Commission**

James S. “Jason” Shaw Jr., a native of Lanier County, was appointed to the Public Service Commission by Governor Nathan Deal and sworn in on January 3, 2019. He won election to the commission in November 2020. Commissioner Shaw lives on a farm near Lakeland with his wife Katy Miller Shaw, from Valdosta, and their children, Anne Harvey and Slaton Shaw. He is the owner of Shaw Insurance Services Inc. and a founder of Georgia Olive Farms Inc., both of Lakeland. He and his family are members of Unity United Methodist Church where he serves as Finance Chairman.

Commissioner Shaw earned a Bachelor’s degree in political science from the University of Georgia and is a graduate of the Leadership Georgia class of 2004, the Leadership Lanier class of 2003, and the J.W. Fanning Institute for Leadership class of 2000. In 2011, he was recognized as one of Georgia Trend magazine’s “40 under 40.” Commissioner Shaw maintains a dedication to community service. He served as the Lanier County Lions Club President in 2001 and as the Lakeland/Lanier County Chamber of Commerce President in 2006. In 2018, the Lanier County Lions Club named him “Flatlander of the Year” and the Lakeland/Lanier County Chamber of Commerce named him a member of its Board of Directors for life. He is also a past director of the Greater Valdosta Area United Way and a past trustee of the Valdosta Technical College Foundation.

Commissioner Shaw formally represented Georgia House District 176 (Atkinson, Lanier, Lowndes and Ware counties) for four terms since his election in 2010. In his tenure with the Georgia General Assembly he served four years as Chairman of the Georgia Legislative Rural Caucus, a bipartisan group that takes a leading role in issues and legislation that impact the state’s rural communities.

He also served as Chairman of the House Appropriations Transportation Committee, Chairman of the House Industry and Labor Committee, and as a member of the House Economic Development & Tourism Committee; House Game, Fish, and Parks Committee; House Insurance Committee; House Small Business Development Committee; and House Transportation Committee as well as the House Rural Development Council and the House Transit Commission.

In addition to his public service, professional, and civic responsibilities, Commissioner Shaw enjoys spending time with his wife and children. He also enjoys outdoor activities, including: hunting, fishing, and golfing.

# **PUBLIC SERVICE COMMISSION LEADERSHIP TEAM**

**DECEMBER 31, 2020**

## **Commissioners**

Chuck Eaton, Chairman  
Tim G. Echols, Vice-Chairman  
Lauren “Bubba” McDonald, Commissioner  
Tricia Pridemore, Commissioner  
Jason Shaw, Commissioner

## **Administration Division**

Deborah Flannagan, Executive Director  
Reece McAlister, Executive Secretary  
Terry Pritchett, Chief Financial Officer  
Cheryl Vinson, Human Resources Officer  
Jada Brock, Director, Office of Operations Support  
Tom Krause, Public Information Officer and Legislative Liaison

## **Utilities Division**

Tom Bond, Director, Utilities Division  
Leon Bowles, Director, Telecommunications Unit  
Pandora Epps, Director, Internal Consultants Unit  
Claudette Willingham, Manager, Consumer Affairs Unit  
Sheree Kernizan, Director, Electric Unit (Retired, February 2020)  
Robert Trokey (Promoted to Director, May 2020)  
Nancy Tyer, Director, Natural Gas Unit  
Michelle Thebert, Director, Facilities Protection Unit  
Jamie Barber, Director, Energy Efficiency and Renewable Energy Unit

# **MISSION AND HISTORY OF THE COMMISSION**

## **MISSION**

The Commission is a quasi-legislative, quasi-judicial agency comprised of five Commissioners elected statewide. The Commission's mission is to exercise its authority and influence to ensure consumers receive safe, reliable and reasonably priced telecommunications, electric and natural gas service from financially viable and technically competent companies. The Commission's regulatory activities are primarily focused on investor-owned natural gas and electric power utilities. The Commission has the authority to set rates, require long-range energy plans, provide for the safety of natural gas pipelines and protect underground utility systems from damage.

Over the past three decades, growth, competition and technological advances have significantly changed the Commission's role. With some retail market segments of the telecommunications and natural gas industries open to competition, the Commission facilitates market development, educates consumers, arbitrates complaints among competitors and monitors the effectiveness of the competitive markets.

## **HISTORY**

On October 14, 1879, Georgia became one of the first states to establish a regulatory body to resolve complications resulting from railroad expansion and competition. Created as the Railroad Commission of Georgia, the Governor originally appointed the three members of this body for the purpose of regulating railway freight and passenger rates.

As electricity, natural gas and telecommunications evolved from novelties into major necessities for our modern society so did the roles and responsibilities of the Commission. Major expansions of the Commission's jurisdiction took place between 1890 and 1935.

In 1891, legislation added telegraph and express companies to the Commission's jurisdiction.

The years 1906 and 1907 saw two major changes to the Commission's make-up. In 1906 the legislature allowed the voters to elect the Commissioners for six-year terms and in 1907 lawmakers expanded the Commission to five members. Also in 1906, the legislature gave the Commission authority over docks and wharves, as well as telephone, natural gas and electric companies. Cognizant of the changing role of this regulatory body, the General Assembly in 1922 changed the name of the Railroad Commission of Georgia to the Georgia Public Service Commission. The legislature further expanded the Commission's jurisdiction in 1931 when it authorized the Commission to regulate the trucking industry.

In 1943, the Commission became a constitutional body (Article 4, Section 1, 1983 Georgia Constitution). Its powers and duties are established by legislation and described in Title 46 of the Official Code of Georgia. The legislature in 1998 required the five Commissioners to reside in separate districts though they remain elected by the voters statewide. This change was effective for the 2000 elections.

Between 2001 and 2012, the legislature approved major changes in the Commission's jurisdiction over transportation. In 2001, legislation transferred the Commission's Transportation Division to the new Department of Motor Vehicle Safety. In 2005, the Commission resumed

regulatory jurisdiction over household goods movers, limousines for hire, passenger carriers and nonconsensual towing. In 2012, the legislature transferred Commission jurisdiction over household good movers, passenger buses, limousines and non-consensual towing to the Department of Public Safety's Motor Carrier Compliance Division.

In 2002, Earleen Sizemore became the first woman to serve on the Commission following her appointment to the Commission after the death of longtime Commissioner Bob Durden on May 2, 2002. Later that year in the general election, Angela Speir became the first woman elected to the Commission.

In 2009, the Commission approved the construction of Georgia's – and the nation's – first new nuclear-powered generation facilities since the 1970's. The two units under construction at Plant Vogtle are scheduled to enter commercial operation in 2021 and 2022. In 2020, the Commission continued to monitor this multi-billion-dollar nuclear construction project.

Legislation in 2012 changed the method of selecting the Commission Chairman, allowing the Commission to elect its own chairman for a two-year term with the possibility of one additional two-year term. In 2013 Commissioner Chuck Eaton was elected Chairman under the new selection method. He was re-elected Chair in 2015 and served through 2017. Commissioner Lauren "Bubba" McDonald was elected Chair in 2018 and served through 2019 when Commissioner Eaton was again elected Chairman.

In June 2014, the Environmental Protection Agency (EPA) released for comment the agency's draft of its Clean Power Plan rules under section 111 (d) of the Clean Air Act of 1970. The Commission went on record opposing this rule. In August 2015, the EPA released the final rule which accorded more favorable treatment of two new nuclear units at Plant Vogtle in meeting Georgia's required reduction in carbon dioxide emissions.

In August 2015, Southern Company, the parent company of Georgia Power Company, announced plans to acquire AGLC Resources, the parent company of Atlanta Gas Light Company. The Commission approved the acquisition in April 2016.

The Commission on December 21, 2017 approved the continued construction of Georgia Power's Plant Vogtle Nuclear Power Plant Construction Project. The Commission accepted the Company's revised schedule and forecasted costs.

In 2018 longtime Commissioner and Chairman Stan Wise resigned effective February 20, 2018 and Governor Nathan Deal appointed Tricia Pridemore to fill the vacancy. Pridemore was elected to a full six-year term in November 2018. Also in November 2018, veteran Commissioner Doug Everett announced his retirement from the Commission effective December 31, 2018. Governor Deal appointed State Representative Jason Shaw to fill the remainder of Everett's term through December 31, 2020. He was elected to the post in 2020.

The Commission operates three committees, Energy, Telecommunications and Facilities Protection. In 2020, Commissioner McDonald chaired the Energy Committee, Commissioner Pridemore chaired the Telecommunications Committee and Commissioner Shaw chaired the Facilities Protection Committee.

## **HIGHLIGHTS OF 2020**

The highlights of the Commission's major activities and achievements during 2020 regarding its Utility Regulation, Facilities Protection and Administration Programs are set forth below. A more detailed report from each Commission organizational unit follows this summary.

### **ELECTRIC**

Electricity is an energy form that is vital to the economy of the state and to the quality of life of Georgia's citizens. Of the three utility industries, the electric industry is the most universally utilized and perhaps the most essential. The investor-owned electric utility, Georgia Power Company is fully regulated by the Commission and serves approximately 2.6 million customers. The Commission has limited regulatory authority over the 41 Electric Membership Corporations (EMCs) and 49 municipally-owned electric systems in the state.

In 2020, the Electric Unit implemented the Georgia Power Rate Case as adopted in December 2019. Traditional Rates were not increased for 2020, although tariffs were revised. A 17.8-percent fuel rate reduction for ratepayers was also approved.

To aid ratepayers in economic difficulties due to the COVID-19 pandemic, the Commission worked with Georgia Power Company in 2020 to establish a moratorium on service cut-offs due to nonpayment. The moratorium, from June 2, 2020 through July 14, 2020, was ended after the Governor's Shelter-in-Place order was lifted with the intention that ratepayers do not incur unreasonable debt.

The Electric Unit also coordinated with Georgia Power Company on its continuing coal ash pond closure strategy.

### **NATURAL GAS**

Natural gas remains vitally important to the economic prosperity of Georgia. Over 1.7 million consumers in Georgia benefit from natural gas delivered by the State's two investor-owned natural gas systems, Atlanta Gas Light Company (AGL) and Liberty Utilities Georgia Corporation (Liberty). AGL ended 2020 with 1,675,111 end-use customers; and Liberty ended 2020 with 56,084 end use customers. During this time, both AGL and Liberty had a net increase of their customer base throughout Georgia. Each year, the Georgia Public Service Commission's Gas Staff (Staff) works closely with these two companies, certificated natural gas marketers, and other municipal gas companies throughout Georgia.

At the end of 2020, Georgia had 17 natural gas marketers with a Commission approved Certificate of Authority, 16 of which were actively serving, or seeking to serve, customers on the AGL distribution system.

On April 1, 2020, Liberty filed with the Commission its 2020 Rate Case seeking to increase rates. After much review, analysis and collaboration, Staff and Liberty settled the rate case, resulting in, among other things, a \$1.8 million reduction from the Company's originally requested increase in rates.

On March 14, 2020, due to the COVID-19 pandemic and risks associated with it, AGL suspended all Shut Offs for Non-Payment (SONP). Staff worked alongside with AGL and the Marketers over the course of 2020 to ensure ratepayers had access to natural gas during that

time of uncertainty but also to minimize the economic impact to AGL and the Marketers. The moratorium of SONPs ended on July 1, 2020, in part to ensure ratepayers were not amassing overly burdensome debt. The implications of the moratorium were not resolved until the end of 2020.

Also in 2020, the Commission directed AGL to propose a long-range planning tool to help ensure that the connectivity of AGL's interstate, intrastate, and distribution systems is optimized. Staff and AGL signed and filed for consideration of a stipulation that will establish a long-range comprehensive planning process. The stipulation is a governance document that will allow AGL to file for Commission consideration a comprehensive planning tool for proposed projects, referred to as the Integrated Capacity and Delivery Plan (i-CDP).

## **TELECOMMUNICATIONS**

The Commission Telecommunication Unit is in charge of several programs that directly benefit Georgians on a daily basis.

In 2020, through the Telecommunications Unit, the Commission approved total disbursements for the 25<sup>th</sup> Universal Access Fund year of \$27,870,944.

The Commission also provides specialized telecommunications equipment to Georgians who, because of physical impairments (particularly hearing and speech), cannot otherwise communicate over the telephone. To date, approximately 8,571 equipment items have been distributed to hearing or speech-impaired applicants. The Commission contracts with the Georgia Council for the Hearing Impaired to be the distribution agency. The cost of this service for 2020 was \$801,409.

In 2006 the Legislature created a statewide Audible Universal Information Access Service to provide blind and print-disabled citizens of Georgia with telephonic access to print media publications. Currently, there are over 2,900 subscribers to this service. The cost of this service in 2020 was \$223,410.

Likewise, the Commission runs the Hearing Aid Distribution Program under contract with the Georgia Lions Lighthouse Foundation, a nonprofit organization that has provided hearing aids to low-income Georgians for over 30 years. Under the current contract, the Foundation receives \$945,081 each year and \$3,497 for each child under the age of 20 who qualifies for this program. The Foundation partners with two hearing aid manufacturers and maintains a network of over 180 audiologists throughout the state. The program distributed over 1,800 hearing aids to 934 applicants in 2020.

## **FACILITIES PROTECTION**

During 2020, the Pipeline Safety Inspectors of the Facilities Protection Unit monitored and inspected over 1,200 miles of transmission lines, nearly 44,000 miles of distribution pipeline, and more than 2 million service lines for transporting natural gas to Georgia customers within 158 counties. The pipeline safety inspectors evaluated operator compliance with state and federal pipeline safety regulations by conducting 176 inspections, including 30 Anti-Drug & Alcohol inspections, over 997 inspection days.

Challenges in 2020 continued in Facilities Protection, as the group continued to enforce the Georgia Underground Facilities Protection Act, Federal, and State rules and regulations, as well



as implementing continuing regulations, while facing staff turn-over and the loss of pipeline safety inspectors to the private sector. Staff participated in numerous virtual meeting with the regulated natural gas operators, and was also able to conduct a number of in-field inspections. The Commission continued other damage prevention efforts in 2020, during the COVID-19 pandemic, Staff participated in 45 video and on-location presentations to over 149 attendees. The challenges were; expressing the importance of safe social distancing at those locations, and finding creative ways to delivering an effective message to others in front of a camera. 2020 has changed the way GUFPA interacts with the community, facility owners and the excavators in Georgia. The GUFPA Staff's participation in these meetings continues to strengthen the Commission's relationship with various groups across Georgia who are dedicated to damage prevention even during COVID-19.

## **CONSUMER AFFAIRS**

The Consumer Affairs Unit is the primary path for consumers to contact the Commission to make their concerns and issues known. Consumers convey these concerns and issues in the form of complaints, inquiries, or opinions, collectively referred to as "contacts."

The main method that consumers use to contact the Commission is by telephone. The Consumer Affairs Unit has a total of six staff members that answer all calls coming through our Automated Call Distribution (ACD) system. Incoming Spanish calls are routed to bilingual staff members (one member is located in the Consumer Affairs Unit) for assistance.

The total number of calls reported by the Commission's Automated Call Distributor (ACD) for 2019 was 27,328 (this includes Spanish calls). Internet/E-mail contacts continued to be the second preferred method of contacting the Commission in 2020 with a total of 5,427 contacts. The total paper correspondence in 2020 (letters and faxes) was 134. The Office of Consumer Affairs also takes complaints from consumers that visit the Georgia Public Service Commission in person. Due to the Covid-19 restrictions in 2020 the Office of Consumer Affairs did not meet in person with any consumers. In all, Consumer Affairs representatives received 32,889 inquiries, complaints, and opinions from the general public in 2020.

Many contacts to the Consumer Affairs office in 2020 were concerns about meeting financial obligations for utilities during the COVID-19 emergency. Staff provided direct information and also directed consumers to agencies able to help them during this unprecedented time.

## **INTERNAL CONSULTANTS/ENERGY EFFICIENCY AND RENEWABLE ENERGY**

The Internal Consultants Unit of the Utilities Division provided expertise to the Electric, Natural Gas and Telecommunications Units. During 2020, Internal Consultants served on several major cases which included lead on the Plant Vogtle Units 3 and 4 Construction Monitoring, Docket No. 29849; lead on the Georgia Power Company Fuel Cost Recovery Case, FCR-25 Docket No. 43011, and the Liberty Utilities 2020 Rate Case, Docket No. 42959. IC Staff provided expert testimony as part of the Public Interest Advocacy Staff and served as Commissioner Advisory Staff as well.

In June 2020, the Commission created a new utilities unit, the Energy Efficiency and Renewable Energy ("EERE") Unit, previously a division of Internal Consultants.

During 2020, EERE oversaw multiple renewable project procurements that were ordered in Georgia Power's 2019 Integrated Resource Plan (IRP) including Georgia Power's Renewable

Cost Benefit Framework (which is used in the valuation of adding Renewable resources to the grid), expanding biomass facilities, and a Request for Proposal to increase renewable energy in Georgia from 800 Megawatts to 1,200 Megawatts.

## **ADMINISTRATION DIVISION**

During 2020 the Administration Division continued to efficiently maximize its task to support the Commission's mission. The Executive Director heads the Division and oversees the Executive Secretary, Budget and Fiscal Office, Human Resources Office, Public Information/Legislative Liaison Office and Operations Support Office.

In 2020, the Budget and Fiscal Office accurately monitored and effectively managed a budget with revenues and expenses of \$11.4 million dollars which was \$500,000 less than 2019.

In 2020, the Executive Secretary's Office opened 702 new case dockets; processed 4,248 filed documents; and filed 540 orders prepared for the Chairman's and Executive Secretary's signature. The number of dockets has grown tremendously over the past two decades.

The Public Information Officer/Legislative Liaison fielded numerous calls from local, state and national media, issued more than 35 media advisories and monitored General Assembly's bills regarding rural broadband, coal ash disposal, and Commission legislation regarding federal guidelines for natural gas pipeline inspection violations.

During 2020, the PSC lost 12 staff members: six retired, four departed for better opportunities, one was terminated, and sadly the Human Resources Manager passed away. The PSC hired four new staff members. Due to budget reductions, the PSC still has unfilled open positions. Human Resources continues to work with the Commissioners and senior leadership to update and solidify a succession plan.

The Office of Operations Support continued to improve cybersecurity defenses and procedures, and efficiency during 2020. The revamped website, introduced in 2019, continued to evolve with enhanced features and offerings. The team designed an e-file system for Docket filing to continue to maintain regulatory productivity and continuity during the COVID-19 pandemic. Since the execution of the agency telework policy in mid-March due to the pandemic, the Commission has held 57 proceedings remotely using web conferencing technologies.

## UTILITIES DIVISION

Since the early 20<sup>th</sup> century the Georgia Public Service Commission has been responsible for setting the rates charged by telecommunications, natural gas, and electric companies, ensuring the reliability and availability of utility services, and establishing and enforcing quality of service standards. The telecommunications, natural gas, and electric industries are natural monopolies, but some segments of these markets have been opened to retail competition that allow customers to choose among multiple providers for certain services and pay rates set by the provider. Other services, such as distribution of natural gas and electricity by investor-owned companies, remain regulated by the Commission, which sets the rates charged for these services.

The pace of the implementation of competition and deregulation varied among the regulated industries. In the telecommunications industry, long distance service has been competitive since the mid-1980s. In 1995 and 1996, authorities opened local telephone service to competition by federal and state legislation, respectively. Local telephone competition was redefined due to technological advances of broadband, Voice over Internet Protocol (VoIP) and wireless telephone. State legislators and federal agencies recognized that local telephone companies face intermodal competition from cable TV companies and wireless providers, not just intermodal competition from other telephone companies.

In 1998, Georgia opened the natural gas commodity market to retail competition. Only one of the two investor-owned natural gas companies elected to open its territory to competition and now sixteen Commission-certified marketers sell gas commodity service to customers in the Atlanta Gas Light Company (AGL) territory. Marketers set their own prices, but the Commission sets the rates charged by AGL for distributing the natural gas for the marketers. There are 16 Commission-certificated natural gas marketers operating in today's deregulated Georgia market.

In 2020 the Commission continued to monitor the Plant Vogtle nuclear construction project in east Georgia where Georgia Power Company is building Units 3 and 4. This is the largest construction project in the Southeastern United States and possibly in the United States. The Commission also continued to implement a significant jump in Georgia's renewable energy portfolio and implemented aspects of the 2019 rate cases for Georgia Power and Atlanta Gas Light.

In spite of changes in the regulatory environment, the Commission's mission remains the same: to ensure consumers receive the best possible value in telecommunications, electricity and natural gas services, to enforce natural gas pipeline safety laws and to protect utility infrastructure from damage. In the sections that follow are an overview of the role that the Commission has played and the key decisions in each of these utility industries in 2020.

# **ELECTRIC UNIT**

Electricity is an energy form that is vital to the economy of the state and to the quality of life of Georgia's citizens. Of the three utility industries, the electric industry is the most universally utilized and perhaps the most essential. The investor-owned electric utility, Georgia Power Company is fully regulated by the Commission and serves approximately 2.6 million customers. The Commission has limited regulatory authority over the 41 Electric Membership Corporations (EMCs) and 49 municipally-owned electric systems in the state.

## **SIGNIFICANT MATTERS IN THE PSC's REGULATION OF THE ELECTRIC UTILITY INDUSTRY IN 2020**

### **Implementation of the 2019 Rate Case**

On February 14, 2020, Georgia Power Company (Georgia Power or Company) filed revised tariffs in compliance with the Commission's Order Adopting Settlement Agreement as Modified in Docket No. 42516, adopted December 17, 2019. Commission Staff reviewed the filing to ensure it complied with the Commission's Order. During this review, Staff met with the Company and reviewed the revenue model. The compliance filing included the Company's Rules, Regulations and Rate Schedules as approved by the Commission.

Traditional Base Rates were not increased for 2020. Revised tariffs included in the Company's compliance filing were designed to increase the Company's revenue by \$318 million for Environmental Compliance Cost Recovery, \$12 million for Demand Side Management (\$4.7 million DSM-R and \$7.3 million DSM-C) and \$12 million for Municipal Franchise Fees as approved by Commission Order.

### **2021 Rate Update**

On December 15, 2020, the Commission approved Georgia Power Company Rate Update in accordance with the 2019 Rate Case Order and Settlement Agreement. Traditional Base Rates increased \$120 million on an annual basis. Environmental Compliance Cost Recovery (ECCR) increased rates an additional \$2 million on an annual basis, while the Demand Side Management (DSM) tariffs will collect \$15 million less on an annual basis. The Commission approves the Company's tariff updates in accordance with O.C.G.A. § 46-2-25.

### **COVID-19: Bad Debt Moratorium and Methodology for Cost Recovery**

On March 14, 2020, Governor Brian P. Kemp signed a Public Health State of Emergency to address the novel coronavirus and COVID-19 in Georgia. The same day, Georgia Power Company temporarily suspended residential disconnections and waived late fees for 30 days in response to the coronavirus pandemic.

Commissioner Jason Shaw offered a motion at the Commission's April 7, 2020 Administrative Session extending the disconnection suspension period indefinitely. The full Commission approved the motion unanimously. On April 14, 2020 the Commission issued its Order on COVID-19 Costs. As part of that Order, Commission Staff and Georgia Power Company were directed to establish a methodology for identifying incremental charge offs resulting from the suspension of disconnections due to COVID-19, and determine whether deferrals other incremental costs resulting from COVID-19 would be appropriate.

On June 2, 2020, the Commission unanimously approved Staff's recommendation that the disconnection for non-payment moratorium would continue through July 14, 2020. The Commission further ordered that, if the Governor subsequently extended the shelter-in-place order for medically fragile individuals and Georgians aged 65 and older past the moratorium end date, a limited moratorium shall continue for only these customers until the new shelter in place order ends or until otherwise ordered by the Commission, provided that the customer provide notice to Georgia Power that they are subject to the extended stay at home order. The Governor's Executive Order of June 11, 2020 lifted the shelter in place order for Georgians over age 65, and continued the shelter in place order for individuals with severe health conditions through June 30, 2020.

The Company and Staff reached a resolution for implementation of the disconnection moratorium order. At the June 11, 2020 Energy Committee Meeting Staff presented its recommendation on the methodology for determining incremental bad debt due to COVID-19.

## **2019 Integrated Resource Planning Issues**

### **Georgia Power Company's 2022-2028 Capacity Request for Proposals (RFP)**

The Commission's Final Order in Georgia Power's 2019 Integrated Resource Plan (IRP) directed the issuance of a Request for Proposals to assure a reliable and economic supply of capacity and energy for the Company's customers during the 2022-2028 timeframe. Commission Staff worked with an Independent Evaluator (Accion Group) and Georgia Power Company in the development of the Request for Proposal (RFP). The RFP was designed to procure approximately 1,000 to 3,000 megawatts (MW) of capacity and energy resources from facilities between 100 and 1,200 MW in size and is governed by the Commission's RFP Rule. Notably, the Commission established criteria to procure 50 megawatts of new biomass generation as part of the solicitation.

In Georgia Power Company's 2022 IRP, the Commission will determine whether the future retirement of any remaining steam units is in the public interest. A decision to retire certain units would create a capacity need. If a decision is made to not retire additional units, additional capacity will not need to be procured. The RFP is expected to provide decision-making flexibility to ensure future reliability, which includes making appropriate transmission upgrades and potentially procuring additional capacity resources. Once bids are evaluated, the Georgia Power will propose the desired mix of resources to be procured and retired for the Commission's approval. On August 21, 2020, the Commission approved Georgia Power to issue its Capacity RFP.

### **Coal Combustion Residuals Asset Retirement Obligations**

In accordance with the Commission's Final Order in the 2019 Integrated Resource Plan, Georgia Power Company provides semi-annual reports regarding its Asset Retirement Obligations (ARO) for its Coal Combustion Residuals (CCR) compliance strategy activities.

Georgia Power is required to comply with federal and state CCR rules at its ash ponds and CCR landfills. The Company has 29 ash ponds and 12 current CCR landfills at 12 sites across the state. Georgia Power's Environmental Compliance Strategy (ECS) to comply with these rules was reviewed and approved by the Commission in the Company's 2019 IRP. An annual

update to the ECS was filed with the Commission in March 2020, with the next annual update to the ECS scheduled to be filed in March 2021.

The following table summarizes the Company's current PSC-approved closure strategy for its 29 ash ponds and 12 current CCR landfills.

<b>Georgia Power's Current Ash Ponds and CCR Landfills ("CCR Units")</b>				
	Ash Pond Closure Method			CCR Landfills
	Closure by Removal	Closure in Place	Total	
Arkwright				3
Bowen		1	1	1
Branch	5		5	
Hammond	3	1	4	1
Kraft	1		1	1
McDonough	1	3	4	
McIntosh	1		1	2
McManus	1		1	
Mitchell	3		3	
Scherer		1	1	1
Wansley		1	1	1
Yates	4	3	7	2
	19	10	29	12

In November 2020, the Public Interest Advocacy Staff issued a Request for Proposal seeking expert assistance for its review of the prudence and reasonableness of Georgia Power Company's disposal and remediation of Coal Combustion Residuals. Issues related to implementation and compliance with the federal Coal Combustion Residual Rule, and the State of Georgia Environmental Protection Division's CCR rule will require technical analysis and on-going monitoring.

### **Fuel Cost Recovery**

On May 28, 2020, the Commission approved a 17.2 percent fuel-rate reduction for Georgia Power customers. The lower fuel rates are expected to remain in place for a period of two years. When fuel prices drop, energy costs drop as well, saving customers money. In addition to the savings from the fuel-rate reduction, Georgia Power customers received an additional, temporary rate reduction through September 2020.

The combined fuel-rate cut and interim additional temporary rate reduction was estimated to save the average household customer \$10.26 per month on their power bills through September 2020.

### **Ongoing investigations**

The Commission Staff continues to investigate and monitor the following:

1. Performance and reliability of electricity generating units, transmission and distribution infrastructure
2. Reported earnings and excess revenues available for sharing, as defined in approved accounting orders



3. Transactions by and between affiliates of Georgia Power
4. Electric transportation Initiatives
5. Effectiveness of hedging programs used to mitigate high natural gas fuel costs

### **Commission Monitors Progress of Nuclear Plant Construction**

On March 17, 2009, the Commission approved Georgia Power Company's (Company) request to certify the construction of the new nuclear power Units at its Plant Vogtle Nuclear Power Plant (Project) near Waynesboro, Georgia. Under the agreement approved by the Commission, the Company must file semi-annual monitoring and monthly status reports with the Commission. The semi-annual monitoring report includes any proposed revisions to the cost estimate, construction schedule, or project configuration, as well as a report on actual costs incurred during the period covered by the report and an updated comparison of the economics of the certified Project.

The Commission Public Interest Advocacy Staff, the Construction Monitor, and other expert consultants continue to actively monitor the construction of the two new nuclear Units. This monitoring includes, but is not limited to, an onsite construction expert attending daily, weekly, monthly, and ad hoc site and project oversight meetings; reviewing Southern Nuclear Company (SNC) project controls documentation; Company oversight documentation; and issuing requests for information (data requests) of the Company on an as needed basis. In addition, on a semi-annual basis in concert with the Vogtle Construction Monitoring (VCM) filings made by the Company, Staff continues to evaluate the forecast economic impacts to rate payers currently and once the Units are complete. Staff's findings are presented to the Commission via the VCM filing hearing process on as close to a real time basis as is feasible.

### **Commission Verifies Expenses for Georgia Power's 22nd Nuclear Plant Vogtle Construction Monitoring Report**

On August 30, 2019, Georgia Power filed its Combined Twentieth and Twenty-First Semi-annual Construction Monitoring Report for Vogtle Units 3 and 4 under docket 29849 which included expenditures, which Georgia Power stated, were made pursuant to the Certificate. The period for this combined VCM was July 1, 2018, through June 30, 2019. The Commission's Procedural and Scheduling Order (PSO) of September 20, 2019, set out one issue to be decided during this proceeding: Whether the Commission should verify and approve or disapprove the expenditures as made pursuant to the certificate issued by the Commission.

The statute provides that within 180 days of such a filing, "the Commission shall verify and approve or disapprove expenditures made pursuant to the Certificate. If the Commission fails to so act within 180 days after such filing, the previous expenditures shall be deemed approved by operation of law." O.C.G.A. § 46-3A-7(b).

In its order date February 25<sup>th</sup>, 2020, the Commission "verifies and approves the expenditures made by Georgia Power pursuant to the Certificate of Public Convenience and Necessity and O.C.G.A Section 46-3A-7(b) for Plant Vogtle Units 3 and 4 for the period beginning July 1, 2018 through June 30, 2019 in the amount of \$1.248 billion, and also includes verification of the \$21.5 million associated with owner's claims against Westinghouse that had previously been deferred by this Commission. All Commission decisions regarding cost recovery shall be made after a prudence review at the end of construction of Units 3 and 4. During that prudence review, the Company shall retain the burden of proof on prudence on all capital costs above \$5.680 billion."

On February 19, 2020, the Company filed with the Commission its Twenty-Second Semi-annual Construction Monitoring Report (22<sup>nd</sup> VCM). Paragraph 2(c) of the Stipulation in Docket 27800 requires the Company to file its Report for the six-month period of July through December on February 28<sup>th</sup> of the following year. Consequently, the Staff and the Company agreed that for statutory purposes the actual filing date of the Report of February 19, 2020 is early, and therefore the Report was deemed filed as of February 28, 2020. The Report includes construction costs from July 1, 2019 up to and including December 31, 2019. In the Report, the Company requested verification and approval of \$674 million of Project expenditures.

In its order date August 25<sup>th</sup>, 2020, the Commission “verifies and approves the expenditures made by Georgia Power Company pursuant to the Certificate of Public Convenience and Necessity and O.C.G.A. Section 46-3A-7(b) for Plant Vogtle Units 3 and 4 for the period beginning July 1, 2019 through December 31, 2019 in the amount of \$674 million. All Commission decisions regarding cost recovery shall be made after a prudence review in the context of a rate case proceeding as contemplated in the 17<sup>th</sup> VCM Order dated January 11, 2018.”

### **Company Files Its Twenty-third Vogtle Construction Monitoring Report**

On August 31<sup>st</sup>, 2020 the Company filed with the Commission its Twenty-Third Semi-annual Construction Monitoring Report (23<sup>rd</sup> VCM). Paragraph 2(c) of the Stipulation in Docket 27800 requires the Company to file its Report for the six-month period of January through June on August 31<sup>st</sup> of the same year. The Monitoring Report includes construction costs from January 1, 2020 up to and including June 30<sup>th</sup>, 2020. In the Report, the Company requests verification and approval of \$701 million of Project expenditures. This preceding’s statutory deadline is February 23, 2021. The Commission is scheduled to render its decision at the Administrative Session on February 16<sup>th</sup>, 2021.

During 2020, the Company announced another round of construction contingency funding for the Project by the Co-owners of \$250 million, of which \$114 million was provided by the Company, or its 45.7% share in the Project. This round of contingency funding brings the total contingency for the Company up to \$480 million since the 17<sup>th</sup> VCM. The Company has taken a charge to income for the \$480 million but has reserved the right to present these costs to the Commission for approval in rate base at some future date. As of the filing of the 23<sup>rd</sup> VCM, the Company forecasts that the target in-service dates approved by the Commission in the 17<sup>th</sup> VCM order, of November 2021 and November 2022 for Units 3 and 4, respectively, will remain unchanged.

The year 2020 proved to be an exceptionally challenging year due to the outbreak of the pandemic. All Project stakeholders were required, and continue the need to be, adaptive to the challenges that this pandemic creates. Staff, with the assistance of the Company, has throughout this difficult year maintained a consistent and appropriate level of oversight.

### **PSC Oversight over EMCs and Municipal Electricity Providers**

The Commission oversees territorial matters for all electricity suppliers including Electric Membership Corporations, municipal electricity providers and one investor-owned utility (Georgia Power Company) pursuant to the Georgia Territorial Electric Service Act, O.C.G.A. § 46-3-1 et seq. The Commission and its Staff review and authorize requests for transfers of retail electric service, resolves disputes over service territories and maintains the electric supplier territorial maps for each of the 159 counties in Georgia. The Commission also approves request

for financing authority for Georgia Power Company and EMCs. The Commission requires rate tariffs of all electricity providers to be on file at the Commission and publishes bi-annual (winter and summer) comparisons of residential electricity rates for all providers in the state.

### **The Commission Continues Its Involvement in State and Federal Activities That Impact the Electric Utility Industry**

The Georgia Public Service Commission continues its involvement in the Southeastern Association of Regulatory Utility Commissioners (SEARUC), as well as the National Association of Regulatory Utility Commissioners (NARUC) to learn from other state regulators and share its knowledge for the benefit of Georgia utility consumers. Commissioners and staff serve on the committees of several national and local groups including NARUC, SEARUC, Southeast Electric Reliability Council (SERC), North American Electric Reliability Corporation (NERC), Eastern Interconnection States' Planning Council and the National Council on Electricity Policy.

### **PSC Continues to Protect Ratepayer Interests by eliminating the collection of the Nuclear Waste Fee**

Georgia Ratepayers have invested over \$1.7 billion dollars into the Nuclear Waste Fund ("NWF") as of September 30, 2016 (this amount includes interest). This places Georgia among the top 10 states in terms of NWF contributions. The collection of funds from Ratepayers to dispose of the waste was halted in May of 2014 by the Department of Energy as mandated by the U.S. Court of Appeals for the D.C. Circuit. There have been several attempts in Congress to move forward with some implementation of Nuclear Waste Policy Act of 1982, but every effort has failed. Georgia Power Company has four nuclear reactors with two more expected to come online by the end of 2022. Currently, GPC along with all nuclear power companies in the U.S. stores in nuclear waste on site (this includes shut down reactors) pending resolution or direction from Congress. For the years 2015-2019, the cost of interim nuclear waste storage totaled just under \$140 million.

## **NATURAL GAS UNIT**

Natural gas is important to the economic prosperity of Georgia. Over 1.7 million consumers in Georgia benefit from natural gas delivered by the State's two investor-owned natural gas systems, Atlanta Gas Light Company (AGL) and Liberty Utilities Georgia Corporation (Liberty). At the end of 2020, Georgia had 17 natural gas marketers with a Commission approved Certificate of Authority, 16 of which were actively serving, or seeking to serve, customers on the AGL distribution system.

### **SIGNIFICANT MATTERS IN THE PSC's REGULATION OF THE NATURAL GAS UTILITY INDUSTRY IN 2020**

#### **Docket No. 42995: Liberty Utilities Corporation (Liberty) (Peach State Natural Gas) 2020 Affiliate Transaction Audit**

On January 29, 2020, Staff began an audit on Liberty Corporation's affiliate transaction allocated costs and methodologies. The audit was performed in addition to and as part of Staff's review of Liberty's 2020 rate case that was filed on April 1, 2020. Staff focused on reviewing the Cost Allocation Manual of Algonquin Power & Utilities Corp., Liberty Utilities (Canada) Corp., and Liberty Utilities Service Corp. Staff also audited the direct charge costs, direct assigned

costs and allocated costs charged to Liberty Georgia. Staff filed three sets of Data Requests and reviewed hundreds of documents and spreadsheets provided by Liberty. As a result of the audit and stipulation, the Company reduced the revenue requirement increase by \$92,000.

### **Docket No. 42959: Liberty Utilities Corporation (Liberty) (Peach State Natural Gas) 2020 Rate Case**

On April 1, 2020, Liberty filed with the Commission its 2020 Rate Case seeking to have its rates increased. Liberty requested the following rate components changes:

- \$3.2 million rate increase
- Return on Equity ("ROE") of 10.5%
- Capital Structure: 56% Equity and 44% Debt
- Cost of Long- Term Debt of 3.84%
- Cost of Short- Term Debt of 2.28%
- Liberty also proposed to receive \$550,000 to spend on a rebate program; and to have an alternative form of regulation.

Between March 13 and May 14, 2020, the Public Interest Advocacy Staff (PIA Staff) filed 11 sets of Data Request and thoroughly reviewed the Rate Case. After Staff's initial review of Liberty's filing, some adjustments and corrections were made, thus reducing the requested increase to \$2,618,000.

The PIA Staff and the Company met on several occasions to discuss the filing. Both parties compromised and agreed to the following adjustments to the filing:

- a. \$398,000 reduction to reflect the change in Return on Equity from 10.5% to 10.2%.
- b. \$102,000 reduction to reflect depreciation rates proposed by PIA Staff.
- c. \$356,000 reduction to reflect change in relation to changing billing determinants.
- d. \$92,000 reduction to reflect a compromise for affiliate transaction expense.
- e. \$128,000 reduction to Excess Accumulated Deferred Income Taxes.
- f. \$55,000 reduction to marketing expense (Rebate program).
- g. \$105,000 reduction to other agreed to methodologies.

All of these agreements resulted in the total revenue shortfall to \$1,382,000.

PIA Staff and the Company also stipulated on the Alternative Form of Regulation (Liberty GRAM) and agreed to the following terms and methodologies for the Liberty GRAM:

- a. Liberty shall file its next Annual GRAM on October 1, 2021 and all other Annual GRAM filings shall be filed no later than October 1<sup>st</sup> of each year.
- b. AFUDC will not be included in CWIP. If Liberty includes AFUDC in subsequent Annual GRAM filings, it will notify Staff prior to making this accounting treatment and also will continue to include AFUDC until its next general rate case filing.
- c. OPEB, Pension and Medical Expense will not be forecasted but use the Historical balance.
- d. The revenue for the forward-looking year should be based on Liberty's customer growth and retention initiatives, weather normalization, and economic considerations.
- e. The Company's customer growth and retention program shall be limited to \$440,000 annually.
- f. Uncollectible expenses will be placed on the total amount written off minus the collections of balances previously written off.

On July 21, 2020, the Commission approved the Rate Case Joint Stipulation, which resolved all issues with the Liberty 2020 Affiliate Transaction Audit, and the Liberty GRAM Stipulation.

In Docket No. 34734, Liberty files quarterly reports that provide financial statements, customer numbers, full time employee numbers, affiliate transaction cost data, capital budget data, and a return on equity calculation. During 2020, Staff performed its due diligence analysis on the data to review financial trends, customer trends, and other relevant analysis. Staff also issued data requests to target additional information.

#### **Docket No. 42965: 2020-2021 Liberty Utilities Gas Supply Plan**

On April 7, 2020, Staff filed with the Commission a Procedural Scheduling Order outlining the filing dates of the 2020-2021 Liberty Gas Supply Plan under Docket No. 42965 and in accordance with Commission Rule 515-7-2-.04. This is an annual filing that updates the Company's design day forecast model and Purchased Gas Adjustment (PGA) projection, which is a separate rate per hundred cubic feet of natural gas from the GRAM volumetric rate and base charge. The PGA is designed to recover demand and commodity costs of natural gas from the end-use customers. Staff reviews PGA filings as they are filed every month to ensure adequate performance of the adjustment mechanism and compliance with approved Gas Supply Plan.

Liberty filed its Design Day Forecast on June 1, 2020 and the Gas Supply Plan on July 1, 2020. Staff reviewed both documents and ensured that they met the Commission's Minimum Filing Requirements (MFRs). Once the minimum requirements were satisfied, Staff began its analysis of the Gas Supply Plan itself, and in doing so, issued three separate data requests. The data requests were filed on July 8, July 29, and July 31, respectively. The Company responded to all three sets of data requests and Staff met with representatives of Liberty Utilities to clarify any further outstanding items. In August 2020, Staff and the Company agreed to enter into a stipulation, and to request a waiver of a hearing on the Gas Supply Plan.

On September 29, 2020, the Commission voted to approve the 2020-2021 Gas Supply Plan for Liberty Utilities. The Plan identifies the interstate storage and peaking assets needed to meet the Company's forecasted peak demand for its approximately 56,084 customers in the Gainesville and Columbus service areas. The 2020-2021 Gas Supply Plan includes the methodology used to forecast peak day firm load requirements, the appropriate capacity reserve margin, any associated turn back of capacity, and the hedging program. Staff and Liberty Utilities will continue to meet throughout the Plan year in order to discuss additional turn back of capacity, if necessary, and other ongoing issues such as hedging, asset management, and PGA filings. This Gas Supply Plan is in effect until September 30, 2021.

#### **Docket No. 43115: SONP Moratorium due to COVID-19**

On March 13, 2020, Governor Kemp declared a Health State of Emergency due to the COVID-19 Pandemic. On March 14, 2020 and after considering the health and economic implications of disconnecting a customer due to the pandemic, AGL, per the Commission-approved Tariff, decided to suspend all Shut Offs for Non-Payment (SONP), effective immediately.

Staff recognized the need to protect the health and safety of AGL employees and customers, and also the need to ensure customers had access to natural gas during the pandemic. Therefore, Staff and AGL presented a Joint Stipulation that was approved by the Commission



on April 30, 2020. The Commission ordered AGL to continue the suspension of the SONPs for residential and commercial customers until such time that the Commission determined the suspension should be lifted. Also, since the extension of the moratorium might have contributed to higher than normal bad debt for the Marketers, the Commission authorized AGL to issue credits to the Marketers for uncollected AGL base charges billed to them during the moratorium for SONP-eligible customers as of March 14, 2020 and until the suspension on SONPs was lifted. The Commission also authorized AGL to recover the lost revenue for the uncollected base charges using the revenue true-up (RTU) process within the Georgia Rate Adjustment Mechanism (GRAM).

On June 22, 2020, the Commission issued an Order stating that, after careful consideration of the data that had been presented by the parties, it was reasonable for AGL to begin resuming SONPs effective July 1, 2020. The Order also stated that if the Governor extended the shelter-in-place order past July 1, 2020, a limited moratorium would continue for those customers that were sick, medically vulnerable or over the age of 65. The Commission also ordered the Marketers to issue customer notifications prior to July 1, 2020 to emphasize the need to work out special payment arrangements or receive assistance from third-party agencies.

On September 22, 2020, the Marketer Group filed an amended Joint Petition requesting that the Commission issue a supplemental order to address the customer base charge credits due to the SONP backlog. The Petition sought clarification as to when the current customer base charge credits to Marketers should end under the existing Orders at the time. The Petitioners requested approval of a supplemental order to provide clarity. Staff thoroughly reviewed the joint petition and other pertinent information related to the subject matter. This matter was brought before the Commission at its October 6, 2020 Administrative Session and was approved.

On October 13, 2020, Staff, AGL and the Marketers filed a stipulation that addressed the methodology options for partial payments. Prior to this filing, Staff, the Marketers and AGL worked together over a few months to reach a resolution and agreement on this issue.

During its October 20, 2020, Administrative Session, the Commission voted to approve the Stipulated Agreement on the Partial Payment Methodology to be used by the Marketers in order to receive a credit for unrecovered bad debt due to the moratorium.

### **Active Natural Gas Marketer Update Staff's Ongoing Analysis of Marketer Financial & Technical Capability**

Pursuant to O.C.G.A. § 46-4-153(f) and Commission Rule 515-7-3-.07(10), Staff issues quarterly data requests to gather financial and technical information from the marketers to determine if they continue to meet the financial and technical capability requirements to serve in the Georgia natural gas market. This information includes income statements, balance sheets, customer counts, number of therms sold, penalties incurred, credit information, ongoing employee training, legal issues, operations in other states, and mergers. Through a review of parent company financial data, including SEC filings, Staff can ensure any multistate operations or parent company operations are not negatively impacting operations in Georgia.

Once Staff has received responses from the Marketers, the financial team of the Natural Gas Unit conducts analyses of the data. If additional information is needed by Staff, follow-up data requests are sent to the Marketers. Due to the moratorium on SONPs, Staff issued supplemental data requests in addition to the quarterly marketer reports to better understand



each marketer's bad debt policy, collection policy for current customers in arrears, and credit requirements for future customers. After the SONP moratorium was lifted, Staff began its review of the Marketers' amount of accrued bad debt. This review will continue in 2021.

Currently, there are 17 certificated Marketers on AGL's natural gas distribution system. Of this number, one marketer was inactive and not serving customers or seeking to serve customers in Georgia.

#### **Certificated Natural Gas Marketers**

<b>#</b>	<b>Docket No.</b>	<b>Certificate of Authority Approved</b>	<b>Marketer</b>	<b>Active/Inactive</b>
1	9474	5/17/1998	Infinite	Active
2	9536	10/6/1998	SCANA	Active
3	9574	10/6/1998	Georgia Natural Gas	Active
4	15727	10/18/2002	Walton EMC	Active
5	15969	11/26/2002	TRUE	Active
6	20504	7/12/2005	Just Energy	Inactive
7	21109	1/3/2006	Gas South	Active
8	24849	4/3/2008	Stream	Active
9	25425	4/25/2018	Constellation	Active
10	25471	10/19/2007	Fireside	Active
11	35857	9/20/2012	United Energy Trading	Active
12	36550	4/23/2013	North American Power & Gas	Active
13	37369	5/6/2014	Colonial	Active
14	37735	3/7/2014	Mansfield	Active
15	41840	4/7/2020	Town Square	Active
16	40797	3/23/2017	Xoom	Active
17	42953	5/5/2020	CENNAT dba Fuel Georgia	Active

#### **Docket No. 41840: Town Square Energy Georgia, LP**

On January 21, 2020, Thermo Choice filed a petition with the Commission for a Change in Ownership and Name change. As provided in Commission Rule 515-7-3-.04(10), it states the following:

- “(10) Marketers must apply to the Commission to receive authorization prior to any change in ownership, name change (including doing-business-as (d/b/a) name change), adding or dropping a delivery pool group from service, owning meters, or any other substantial change that would affect their certification.”

The petition stated that Thermo Choice would be purchased and renamed. The Company would be owned by Genie Retail Energy, Inc., which is the parent company of all Genie affiliates. Additionally, Thermo Choice, LP will have a name change to Town Square Energy Georgia, LP (Town Square).

As part of the Staff review, a legal transaction question arose; therefore, Staff issued a data request to the Company. Staff's attorney reviewed the legal opinion filed in response to Staff's question and found it to be a satisfactory opinion.

On March 16, 2020, Staff completed its due diligence and was satisfied with the financial and technical capability of the entity that would become Town Square with the support from its parent company Genie Retail Energy, Inc. On April 7, 2020, the Commission approved Thermo Choice, LP for a Change in Ownership and Name Change as required in Commission Rule 515-7-3-.04(10) to become Town Square Energy Georgia LP.

**Docket No. 42953: CENNAT, Inc. dba Fuel Georgia**

On December 6, 2019, CENNAT, Inc., d/b/a Fuel Georgia, (CENNAT d/b/a Fuel Georgia or Applicant) filed with the Commission its application for a Marketer Certificate of Authority. The Applicant is a wholly owned affiliate company of Central Georgia Electric Membership Corporation (CGEMC). In its application, Fuel Georgia sought to serve Residential, Commercial, and Industrial customers in all of AGL's nine Georgia primary delivery pool groups. The Applicant provided information on its financial and technical capability to serve in the Georgia deregulated natural gas market. Additionally, Fuel Georgia provided its Terms and Conditions, Disclosure Statement, Cost Allocation Manual (CAM), and sample bill.

Staff thoroughly reviewed the application and sent the appropriate notices within the 15-day review period. Staff also had phone conferences and written communications with the Company regarding the application. On January 23, 2020, after performing its due diligence, Staff was satisfied with Fuel Georgia's responses.

On February 6, 2020, the Commission approved a Procedural and Scheduling Order to consider Fuel Georgia's application for a Certificate of Authority pursuant to O.C.G.A. § 46-4-153(c)(5) and Commission Rule 515-7-3-.03(6). On May 5, 2020, the Commission approved the application.

**Docket No. 21109 & Docket No. 9474: Gas South, LLC Petition to Purchase Infinite Energy, Inc.**

On October 19, 2020, Gas South, LLC (Gas South) and Infinite Energy, Inc. (Infinite Energy), together the "Petitioners", filed for approval of Gas South to purchase Infinite Energy, the multi-state gas operations that included Infinite Energy in Georgia. The Staff team thoroughly reviewed every part of the petition and issued its Twenty-Third Set of Data Requests and reviewed the responses in its entirety.

In support of the Joint Petition and the Purchase Sales Agreement (PSA), the Petitioners filed numerous trade secret exhibits for review. All of the exhibits were reviewed, and no issues were found.

Infinite was one of the first marketers to enter the deregulated market. The Staff regularly examines the financial and technical capabilities of Infinite Energy, Inc., the parent company of Infinite Energy. As part of Staff's 50<sup>th</sup> Set of Data Requests, Infinite Energy, Inc. provided staff with its 3<sup>rd</sup> Quarter 2020 data along with 9 months ending 2020. Staff compared this information with the same time in 2019. No issues were found that would interfere with the sale of Infinite Energy to Gas South.

The Staff has continually reviewed Gas South's financial and technical capabilities since it entered the Georgia natural gas market in January 2006, and no issues have been found. As part of Gas South's ongoing financial and technical capability review, the Staff also reviews Cobb EMC's financial condition. As part of Staff's 22<sup>nd</sup> Set of Data requests, Gas South provided Cobb EMC's 3<sup>rd</sup> Q 2020 data along with 9-months ending 2020. The Staff compared this to the same time periods in 2019, and no issues were found.

The Staff determined that with the purchase of Infinite Energy and the transfer of customers to Gas South, the market share per delivery group will not put the deregulated market at risk of becoming non-competitive per O.C.G.A. § 46-4-157(c). This is based on Staff's thorough analysis that combined the merged market share per delivery group, using the most current data.

Gas South reported there will be no immediate changes to the Terms and Conditions or Call Centers related to Infinite or Gas South. However, during the transitional period, Staff will be conducting ongoing reviews on those areas to ensure a smooth transition for the customers. In addition, related to billing changes, there will be no immediate changes to the billing processes of either Gas South or Infinite Energy.

As part of Staff's ongoing technical review of the Gas South and Infinite Energy, Staff will continue to review Gas South's technical capability regarding management of Gas Supply, Capacity and Storage assets that will include Infinite Energy after the sale is approved.

In regards to the Capacity Supply Plan, the capacity of Gas South and Infinite Energy on AGLC's system is allocated based on market share. After the transition period, there should be no changes to Capacity other than combining the allocations of Gas South and Infinite Energy.

During the December 15, 2020 Administrative Session, the Commission approved the Joint-Petition for Gas South to purchase Infinite Energy. The Staff will continue to monitor the financial and technical capability of Gas South and Infinite until such time that Gas South petitions to merge the Infinite Energy customers and operations under Gas South's Certificate of Authority.

#### **Docket No. 41533: 2018-2021 Regulated Provider**

As of December 1, 2020, the Regulated Provider (SCANA Energy) had a total of 33,881 customers; this is 6,886 less than as of December 31, 2019. Of these customers, 13,198 were designated as Group 1 and 20,683 were designated as Group 2. The Department of Human Services ("DHS") uses the same guidelines to qualify Group 1 customers as those established for the Federal Low-Income Housing Energy Assistance Program (LIHEAP). Group 2 customers are those who cannot obtain service from other marketers due to poor credit or no credit. During 2020, the Commission approved approximately \$716,399.75 in USF disbursements to provide assistance to SCANA for bad debt for Group 1 customers. This amount is \$ 119,506 less than the 2019 amount. No such funds are available for Group 2 customers.

In order for DHS to continue to be able to facilitate the processing of applications for the Regulated Provider program, during 2020, the Memorandum of Understanding between Staff and DHS was extended until September 30, 2022.

### **Docket No. 43404: 2021-2023 Regulated Provider**

The current Regulated Provider term will be coming to an end on August 31, 2021; on October 5, 2020, the Commission issued a Request for Proposal (RFP) to select a Regulated Provider for the upcoming 2021-2023 term. Bids to the RFP were due on December 4, 2020 by 4 p.m. SCANA Energy was the only bidder. Even though there was only one bidder, Staff still performed its due diligence by carefully reviewing and evaluating the bid and exhibits. Also, Staff issued a Data Request to SCANA Energy seeking clarification. The new Regulated Provider will be selected by no later than March 2021.

### **Docket 36550: Certificated Marketer Withdraws from Georgia and Customers are Randomly Assigned**

North American Power and Gas, LLC. (NAPG) notified Staff that it planned to cease business operations in Georgia and wanted to cancel its Natural Gas Marketer Certificate of Authority. Staff and NAPG met virtually and reviewed the procedures required for NAPG's remaining natural gas customers to be randomly assigned.

On September 10, 2020, NAPG filed a Petition requesting approval for its remaining customers to be randomly assigned after the customers were afforded the opportunity to select another natural gas marketer on AGL's distribution system. This was pursuant to Commission Rules 515-7-4-.03 (Customer Notification) and 515-7-4-.08 (Random Assignment Upon a Marketers Withdrawal from Market).

The Commission approved the Petition and the timeline for the random assignment of NAPG's remaining customers. On November 24, 2020, all remaining customers that had not selected a marketer were randomly assigned. On January 27, 2021, NAPG filed a Petition to Withdraw and cancel its Natural Gas Certificate of Authority pursuant to Commission Rule 515-7-3-.04(10). The Commission granted the petition on February 16, 2021.

### **Docket 22914: Inquiry of Municipal Gas Systems' Customer Policies**

The Commission's Natural Gas Unit continues to monitor compliance to Commission rules with Municipal Gas Operators. Each is required to have a Certificate of Public Convenience and Necessity pursuant to Commission rule 515-7-1. Staff contacted the Certificated Municipal Gas Operators to ensure each was still in compliance with the Order, which provided the rules to govern certain customer policies. The Commission approved a Stipulation between Staff and MGAG that included variances to certain applicable rules regarding customer deposits, disconnections, seasonal restrictions and the rights of the consumer for natural gas customers of the Municipal Gas Operators. Formal inquiries, in the form of Data Requests, were issued by Staff to the Municipals to verify continued compliance to the Order.

In filed responses to the Data Requests, provided to the Commission in mid-December of 2020, the Municipals provided current customer policies regarding deposits, disconnection and the rights of the consumer.

The main purpose of the rules that apply to Municipal Gas Companies is to ensure that the customer policies and procedures are applied uniformly to all residential customers without regard to city limit.

## **Docket No. 4167: Audit of AGLC's Manufactured Gas Plant**

In 1992, AGL requested an Environmental Response Cost Recovery Rider as a mechanism for recovering costs associated with the cleanup of Manufactured Gas Plant (MGP) sites, three of which are in Florida. After holding hearings, the Commission adopted a settlement. Commencing in 1992, the Commission has conducted audits of capital expenditures related to the cleanup of 12 MGP sites where AGL had previously manufactured natural gas from coal. The production process created by-products that contaminated the soil and groundwater.

AGL ratepayers pay a surcharge to assist with the costs associated with this cleanup. Staff audits the expenditures for accuracy and financial prudence. The program fiscal year runs from July 1 to June 30, and Staff files an audit report for costs for each fiscal year. During the 2020 fiscal year, Staff submitted an audit report of the costs. The 2019 rider amount was \$2.67 per Dekatherms (Dth) per Dedicated Design Day Capacity (DDDC) per year and was set to be recovered during 2020. All costs that were audited were found to be reasonable.

## **Docket 42317: Atlanta Gas Light Company's Petition to Amend Its 2019-2022 Capacity Supply Plan**

On July 1, 2019, AGL filed its Petition for Approval of the 2019-2022 Capacity Supply Plan pursuant to O.C.G.A. § 46-4-155(e). In accordance with Commission Rule 515-7-11-.04, Minimum Filing Requirements were filed as a part of the Capacity Supply Plan. The Capacity Supply Plan approved in 2019 will remain in effect until 2022.

The design day requirements to be supplied by interstate, intrastate and on system peaking resources for this Capacity Supply Plan are as follows and remain in place.

Plan Year 1	2,591,962 Dth
Plan Year 2	2,635,352 Dth
Plan Year 3	2,690,445 Dth

The reserve margin is 5% and will remain in place for the 2019-2022 Capacity Supply Plan. Other provisions addressing the usage were carried over from the previously approved Capacity Supply Plan.

In the Commission Order filed on September 30, 2019 approving the Capacity Supply Plan, AGL and the Certificated Marketers were required to discuss movement of Rome and Ex-ATL-SNG customers into the Atlanta Pool during the 2019-2020 heating winter season. As a result of these discussions, 119,107 customers were impacted, with 113,779 customers moving into the Atlanta Pool and 5,328 Atlanta customers moving to the Macon Pool, as shown in the table below.

	<u>Premises</u>
ATL to MAC	5,328
ROM to ATL	9,954
SNG to ATL	57,383
TRA to ATL	46,442
<u>Total</u>	<u>119,107</u>



The 113,779 customers that were moved into the Atlanta Pool now receive service from the Atlanta Pool's Liquefied Natural Gas (LNG) facilities and thus, are charged the Peaking Service (PS) charge. The 5,328 customers moved from the Atlanta Pool to the Macon Pool will have no change in their ability to receive service from an LNG facility and thus, will continue to pay the PS charge.

The Certificated Marketers requested that AGL lower the PS charge for the Atlanta Pool now that more customers are paying the charge. Based on the number of customers in the Pool and the former PS rate, AGL proposed to lower the PS rate for the Atlanta Pool to \$0.96/DDDC, effective May 1, 2020. On March 26, 2020, AGL filed the Company's Notice of Revision to PS Rate. AGL included the re-calculation supporting the new PS rate in its filing. The Staff reviewed the filing and found no issues with the re-calculation. The Commission approved this revision request on April 7, 2020. The affected customers were notified with a Staff approved letter.

On May 28, 2020, AGL hosted its 2020 Winter Recap virtually due to COVID-19, which Staff attended. The winter season was much warmer than the 10-year average. Actual Firm load was within reason of predicted load.

In July 2020, AGL notified the Marketers that it had received a settlement refund for Transco rates for the time period of March 2019 to May 2020 resulting from the general rate case filed by Transco at the Federal Energy Regulatory Commission (FERC) on August 31, 2018. To determine how the settlement refund should be distributed, the Commission opened Docket 43506. Staff, AGL and the Marketers filed a series of legal briefs stating their positions. This matter was resolved by a Commission decision on December 15, 2020.

Also in July 2020, AGL notified the Marketer Group that 3 contract agreements were up for renewal by the end of 2021. AGL intends to extend the provided services consistent with the terms of its service agreement with the pipeline.

**Docket No. 43506: Implementation of O.C.G.A. § 46-4-161 (c)(1) regarding refunds issued by Interstate Pipeline suppliers**

On August 31, 2018, Transco filed a general rate case with the FERC. The parties ultimately reached a settlement, and on December 31, 2019, Transco filed a stipulation and agreement. As a result of the Settlement, Transco wired to AGL a Supplier Rate Refund of \$7,444,176.16 for the difference between the interim rates and the Settlement Rates for the period between March 1, 2019 and May 31, 2020.

On October 6, 2020 the Commission voted on a Motion to create an independent Docket to determine how the settlement money should be allocated. The motion also stated that until the Commission issued guidance on how the statute should be interpreted and adhered to long term, AGL should, in the allocation manner that they have used in the past, release to the Marketers a portion of the Transco current Supplier Rate Refund (\$4,808,872.02 of the \$7,444,176.16) in its rate case before FERC.

On November 12, 2020, Staff, AGL, and the Marketers submitted opening briefs for consideration. On December 3, 2020 Staff, AGL and the Marketers submitted reply briefs. Oral Arguments were held on December 10, 2020.



At its December 15, 2020 Administrative hearing, the Commission adopted a Motion that resolved the issues. The Motion is as follows:

“AGL received a FERC Transco Rate Case Refund in the amount of \$7,444,176.16. Under the allocation methodology that AGL has traditionally used, \$4,808,872.02 would be allocated to the replacement shipper(s) and the remaining \$2,635,304.14 would go to the USF. On October 6, 2020, this Commission voted to allocate the \$4,808,872.02 to Marketers. For this refund only, the remaining portion of the refund, which is currently being held by AGL in an interest accruing account, also be paid to the replacement shipper(s). Further, all future refunds from interstate pipeline suppliers be allocated to both replacement shipper(s) and the USF based on AGL’s historical practices.”

#### **Docket No. 41559: Atlanta Gas Light’s Petition to Approve Econ-I Tariff**

On October 10, 2017, the Commission approved AGL’s Economic Development Tariff (ECON-1 Tariff) as part of efficiency changes to AGL’s customer growth initiatives. The ECON-1 Tariff was approved for large economic development projects with parameters based on customer class, capital investment, new jobs created, and new gas load. The approved tariff allows funding of up to \$15 million per year for Econ-1 Tariff projects. The Company is required to file any proposed projects with the Commission for approval. In addition, the Commission reserves the right to bring projects forward that are outside of the parameters of the tariff and that are beyond the \$15 million per year limit. In the table below, it shows five AGL ECON-1 projects that were approved during 2020. On the December 30, 2020 Order approving the two Banks County ECON-1 projects, the Commission also approved and allowed AGL to exceed the \$15 million annual limit since the projects had significant economic benefit to Banks County.

<b>Year 2020 Approved ECON-1 Projects</b>		
<b>Date Approved</b>	<b>Project</b>	<b>Approved Cost</b>
3/3/2020	Telfair County Project	\$7,190,000
3/3/2020	Walker County Project	\$4,100,000
4/7/2020	Clinch County Project	\$2,716,752
12/30/2020	Banks County Project – Mar-Jac Poultry & RAI	\$6,318,337
<b>Total Approved in 2020</b>		<b>\$20,325,089</b>

#### **Docket No. 42315: Atlanta Gas Light Company Quarterly Reporting and Georgia Rate Adjustment Mechanism (GRAM)**

In Docket No. 42315, AGL files quarterly reports that provide financial statements, customer numbers, Full Time Employee numbers, Affiliate Transaction cost data, capital budget data, and ROE calculation. Staff performs a due diligence analysis on the data to review financial trends, customer trends, and other relevant analysis. In addition, the Staff issues data requests to target additional information. Annually, AGL files for a rate adjustment under the GRAM. The quarterly reporting reviewed by the Staff team aids in the review of the annual filing.

On February 14, 2020, the Commission issued an Order in Docket No. 42315 resolving the AGL's 2019 rate case and authorizing new rates. According to the Order, AGL was approved to continue an alternative form of ratemaking called the GRAM pursuant to O.C.G.A. 46-2-23-1. Staff and AGL agreed to a GRAM format and procedure prior to the filing occurring. On July 1, 2020, AGL filed its 2021 GRAM with a Rate Effective Period of January 1, 2021 through December 31, 2021. AGL requested a \$30.7 million revenue requirement increase before taxes that became a \$41 million increase after taxes. The February 14, 2020 Order stated that any 2021 GRAM rates couldn't exceed 5% of the 2019 rate case projected revenues, \$752 million. Based on the 2019 rate case revenues, AGL calculated a rate increase of \$37.6 million.

Staff thoroughly reviewed 12 schedules, 49 workpapers, and 6 supporting spreadsheets. Staff issued its 24<sup>th</sup> Set and 25<sup>th</sup> Set of Data Requests to gather additional information concerning the 2021 GRAM model and impacts from the 2019 rate case.

Based on Staff's review, on November 30, 2020, AGL filed a revised GRAM filing. AGL's revised request was for a \$28.6 million revenue requirement increase before taxes that became a \$38.3 million increase after taxes. This was a revenue requirement decrease of \$2,897,807 from the original filing. This decrease had no impact on AGL's calculated rate increase of \$37.6 million since this was based on 5% of AGL's 2019 rate case revenues. On January 1, 2021, the rates went into effect.

### **Certificates of Public Convenience and Necessity**

Natural gas operators have the legal requirement to obtain a Certificate of Public Convenience and Necessity before they can construct or operate in intrastate commerce within Georgia. Specifically, pursuant to O.C.G.A. 46-4-21 et. seq. and Commission Rule 515-7-1-.01 et. seq., a natural gas operator is required to obtain a Certificate of Public Convenience and Necessity for any pipeline or distribution system, or any extension thereof, for transportation, distribution or sale of natural or manufactured gas without first obtaining from the commission a certificate that the public convenience and necessity require such construction or operation.

The Commission also implements the Countywide Natural Gas Safety Plan Rule (CWSP) (Commission Rule 515-9-7-.01). The rule was created to require natural gas operators to establish, in consultation with all other natural gas operators in a particular county, a safety-based boundary and emergency response procedures. The Natural Gas Unit and Facilities Protection Unit work jointly on CWSPs. A plan is required in every county that has more than one natural gas operator and must be approved by the Commission after being reviewed by the Natural Gas Unit and the Facilities Protection Unit.

The CWSP identifies the location of all natural gas facilities and safety-based boundaries in that particular county so that whenever a natural gas emergency arises, confusion, delay and unnecessary danger for the public and first responders can be avoided. An operator must inform and train its emergency response personnel and the city or municipal emergency response personnel within such county of the boundaries and plan.

The CWSP should conform to the corresponding Certificates of Public Convenience. In the event that a CWSP affects the boundaries of a corresponding Certificate of an operator, the Certificate boundaries are amended to conform to the CWSPs of that county.

By the close of 2020, the Commission amended four Certificates and granted one new Certificate. The Commission has approved a total of 105 certificates affected by the CWSPs. The Commission granted 2 CWSPs and amended 3 CWSPs for a total of 56 approved CWSPs. Commission staff periodically engages with the stakeholders as necessary. The Certificates and CWSPs are revised and updated as natural gas providers continue to develop and maintain their facilities and address their boundaries in order to meet the needs of their systems.

### **Docket No. 42315: Integrated Comprehensive Long-Range Planning Tool**

In the Commission's February 14, 2020 Order for the 2019 AGL rate case, the Commission directed AGL to propose a long-range planning tool to establish a proceeding open to all interested parties in which the Commission will examine and approve parameters for capital budgets and related O&M spending associated with multi-year forecasts. Following the Commission's Order, Staff and AGL worked together to prepare a Stipulation to implement a planning process in compliance with the Commission's Final Order. On January 28, 2021, Staff and AGL filed the Joint Motion of Atlanta Gas Light Company and Public Service Commission Staff for Approval of Stipulation along with the Stipulation.

The Stipulation is a governance document that will allow AGL to file for the Commission's consideration a comprehensive planning tool, referred to as the Integrated Capacity and Delivery Plan (i-CDP) for proposed projects to help ensure that the connectivity of AGL's interstate, intrastate, and distribution systems is optimized. The i-CDP will provide a 10-year forecast of interstate, intrastate, and distribution capacity asset requirements with a 3-year detailed plan to be updated and filed for consideration every three years. The i-CDP will provide to the Commission and other parties the Company's view of what it needs for the system to reliably meet its customers' needs and to ensure that interstate, intrastate, and distribution assets align. The i-CDP filing will include a 10-year projection of capital budgets and related operations & maintenance spending with a 3-year detailed proposal for parameters for capital budgets and related operations & maintenance spending. The Stipulation also establishes a System Reinforcement Rider (SRR) to provide recovery for multi-year projects which are approved by the Commission as part of the i-CDP.

The matter first appeared before the Commission at the February 11, 2021 Energy Committee. The Commission voted to approve the Stipulation on February 16, 2021 at the Commission's Administrative Session.

### **Docket No. 15326: Universal Service Fund**

Commission Rule 515-7-5-.02 states that, consistent with O.C.G.A. §46-4-161, the Commission is authorized to create and establish regulations to administer a universal service fund for each gas company that elects to become subject to the provisions of Article 5 of Chapter 4 of Title 46 of the Official Code of Georgia Annotated, and which satisfies the requirements of O.C.G.A. §46-4-154. Commission Rule 515-7-5-.03 states that a universal service fund shall be created for each electing distribution company for the purposes set forth in O.C.G.A. §46-4-161(a). The Commission administers the Universal Service Fund (USF) to include the review and final decision on all disbursement requests. The State of Georgia considers the USF a Custodial Fund for reporting in the State's Comprehensive Annual Financial Report.

On November 12, 2020, based on Staff's Notice of Proposed Rulemaking (NOPR), the Commission approved Staff's proposed rule change to Commission Rule 515-7-5-.07 to separately address AGL's filings for USF projects that are USF Annual Plan Projects and USF

Application Projects. The two different types of filings now have their own set of filing and reporting requirements.

On September 29, 2020, Staff issued its fifteenth Set of Data Requests to have AGL file updated income tax and finance ratios for USF projects. With the end of the 2019 rate case, AGL's capital structure changed. This change would have an impact on AGL's reimbursement for USF line-extension projects since AGL receives a gross up for income tax and finance charges. On October 30, 2020, AGL filed responses.

As a routine matter, Staff reconciles the monthly bank statements, provides monthly reporting, and reviews requests for USF funding. Annually, Staff provides reporting to the State Accounting Office (SAO).

The Commission approved the USF for AGL in 1998. From December 1, 1998 through ending December 31, 2020, the USF had deposits in the amount of \$345 million and expenditures in the amount of \$309.9 million to arrive at the ending December 2020 balance of \$35.2 million. Please see the table below:

**USF Historic Activity:1998 to December 31, 2020**

Deposits	\$345,087,247
Expenditures	\$309,910,306
<b>2018 Ending Balance</b>	<b>\$35,176,941</b>

**Docket No. 41560: Atlanta Gas Light Company's Universal Service Fund Application Projects**

On February 20, 2020, the Commission approved the Hall County Project with a cost not to exceed \$200,000. On September 17, 2020, AGL filed its Notice of Completion Report (NOC) for the Hall County Project. With AGL's responses to Staff's Fifteenth Set of Data Requests in Docket No. 15326 to update its income tax and finance ratios, AGL filed its revised NOC on December 9, 2020 with a revised USF disbursement amount of \$132,328.57. Staff issued the signed USF disbursement letter to the bank with a wire date of January 8, 2021.

**Docket No. 42115: Atlanta Gas Light Company's 2019 Universal Service Fund Facility Expansion Plans**

On December 17, 2020, AGL filed its NOC for the Toombs County Project. AGL had an estimated cost of \$4,660,605 with income taxes. The filed NOC showed actual expenditures of \$4,207,467.74. The Commission approved an upfront payment to AGL for the \$4,660,605, and any overpayments would need to be remitted back to the USF. On December 30, 2020, Staff issued its First Set of Data Requests to gather additional information on the filed invoices for the project. The responses are due February 5, 2021.

**Docket No. 42864: Atlanta Gas Light Company's 2020 Universal Service Fund Facility Expansion Plans**

On November 1, 2019, AGL filed its Year 2020 USF Facilities Expansion Plan (USF 2020 Plan). The petition listed five proposed projects. Pursuant to Commission Rule 515-7-5-.07(5)(a)-(g), AGL is required to file seven minimum filing requirements in support of their petition. Below,

there are details provided for each of the MFR's submitted by AGL with Staff's discussion. AGL filed for five (5) line-extension projects, as seen in the table below.

**USF 2020 Plan AGL Proposed Projects**

Project	Estimated Engineering Costs	CIAC Gross-Up	Financing Costs	Cost to Serve
Telfair	\$3,430,969	1.1647	1.006035	\$4,019,993
Appling	\$3,960,000			\$4,639,848
Dawson	\$10,000,000			\$11,716,787
Walker	\$4,100,000			\$4,803,883
Banks	\$6,650,000			\$7,791,663
Total:	\$28,140,969			\$32,972,173

On February 6, 2020, the Commission approved the Telfair County Project and the Walker County Project under AGL's ECON-1 tariff in Docket No. 41559. The Commission approved the Appling County Project and the Banks County Project under the USF 2020 Plan. The Dawson County Project didn't move forward due to USF funding constraints. On December 17, 2020, AGL filed its NOC for the Appling County Project.

On February 6, 2020, the Commission approved AGL's USF 2020 Plan, that in part, was approved to serve Waste Management Sanitation as part of the Banks County Project. The project proposed an installation of 4-inch steel at an approved estimated cost of \$7,791,663. The project proposed to tie into existing 4-inch steel (MAOP 300 psi). AGL proposed two new ECON-1 projects in Banks County for Mar-Jac Poultry and RAI. The combined loads of all three projects indicated that the USF project previously approved needed to be modified. AGL proposed to revise the 4-inch steel main line-extension to install approximately 94,000 feet of 6-inch steel with a MAOP of 300 psi to allow firm service to these three new businesses. This would also allow for future growth in the area. In addition, the route approved in the USF Banks County Project would need to be modified. On December 7, 2020 AGL filed in combined dockets 41559-42864 a request for approval to support the two ECON-1 projects and the modified USF projects in Banks County. On December 30, 2020, the Commission approved the request.

**Docket No. 43510: Atlanta Gas Light Company's 2021 Universal Service Fund Facility Expansion Plans**

On October 7, 2020, AGL filed its Year 2021 Universal Service Fund Facilities Expansion Plan (USF 2021 Plan). The petition listed one (1) proposed project, the Lumpkin County Project. As part of Commission Rule 515-7-5-.07(5)(a)-(g), AGL is required to file seven MFRs in support of their petition. Staff reviewed the MFRs and on October 15, 2020, AGL filed an amendment to the USF 2021 Plan providing the MAOP information. With the filing of the MAOP information, the Staff reviewed all seven MFRs, and found them to be whole and complete. Staff also reviewed AGL's 5% budget cap limit and the encumbrance status of the USF and found no issues. On December 10, 2020, the Commission approved AGL's USF 2021 Plan for the Lumpkin County Project.



## **Docket No. 16193 and 42317: AGL's Asset Management Agreement and Audit Report Concerning AGL's Universal Service Fund (Sequent)**

Pursuant to the Commission's May 12, 2016 Order Adopting Settlement Agreement in Docket No. 39971, AGL's former Asset Management Agreement with Sequent expired on March 31, 2020. Staff and Atlanta Gas Light met over several months and agreed to a Stipulation filed on February 24, 2020 that, with modifications, extended the AMA until March 31, 2023. The stipulation increased the sharing mechanism percentage as well as the guaranteed minimum annual payment, which is paid in quarterly installments to the Universal Service Fund.

Staff audited Sequent's performance as Asset Manager for Years 2015- 2018. The Audit included a review of the following:

- a. Asset Management Agreement
- b. Net Margin Calculation and Supporting work papers
- c. USF sharing quarterly filing
- d. USF Escrow Account Bank Statement
- e. AGL's Internal Audit report
- f. Concentric study
- g. Benchmark Study
- h. Roles and responsibility of participating departments (what departments of what companies)

Staff reviewed the transactions made by Sequent on its storage and transportation assets. Staff also compared the Net Margin in the Book Value report to the Sequent Quarterly filing and the deposit made into USF Escrow Account Bank. Staff found that from Year 2015- 2018, Sequent was in compliance with the Commission Order under Docket No. 16193 and the Asset Management Agreement. Staff is currently in process of finalizing the Audit report for Years 2015- 2018.

On a quarterly basis, Staff reviews the filings made by Sequent on the Net Margin Calculation. Staff also verifies that the Net Margin is deposited into the USF. It reviews the monthly data that provides the storage and transportation transactions that are conducted by Sequent and the profit generated. Staff also reviews the percent profit that is allocated to USF and to Sequent. For the Year 2020 Sequent has made the minimum deposit required to the USF.

### **Consumer issues and Staff investigations**

Every year, the Gas Unit receives complaints and requests for investigations that are escalated from the Consumer Affairs Unit of the Georgia Public Service Commission or from Commissioner's offices. Those escalated complaints or requests for investigations may include, but are not limited to: pricing, consumer's DDDC, renewal of fixed contracts, slamming, etc. One of those investigations included a detailed analysis and explanation about DDDC and increased rates in 2020. During the same year, a separate investigation led to Staff uncovering a Marketer system billing issue that had caused consumers to be over and undercharged. Staff was able to ensure that the particular Marketer took steps to resolve the problem while being compliant with Commission rules.

Staff also participated in the Customer Experience Working Group meetings hosted by the Marketers and AGL. The purpose of these meetings is to promote changes that AGL and the Marketers can perform (system upgrades, turn on appointments, escalation of complaints, etc.)



in order to enhance customer experiences in the deregulated market. Staff attended several meetings in which it made itself available to answer any of the participant's questions regarding Commission rules, policies and procedures that may get affected by the proposed changes.

Pursuant to Commission Rule 515-7-3-.04(14), Marketers file with the Commission their monthly prices every 5<sup>th</sup> of the month. Staff reviews, compiles and uploads this data onto the Commission website. The purpose of having this information uploaded on the website is to help consumers who are seeking to switch Marketers make an informed decision by being able to see and compare all Marketer's prices on an apples-to-apples basis. The pricing that is posted on the PSC website is based on a typical customer's usage on a monthly and annual basis.

## **TELECOMMUNICATIONS UNIT**

The telecommunications industry is indispensable to the economy of the state. Over the past 20 plus years, the Georgia's Telecommunications and Competition Development Act of 1995 and the Federal Telecommunications Act of 1996 have had a great impact on the Commission's role in this vital industry. The primary goal of these statutes was to replace traditional regulated monopoly service with a competitive market. For competitive segments of the industry, the Commission does not set rates, but facilitates market development, certifies providers, arbitrates interconnection agreements, and resolves complaints among competitors.

On December 13, 2019, 19 Tier II Independent Local Exchange Carriers (ILEC) filed requests for an aggregate disbursement of \$28,604,040 for the 25<sup>th</sup> Universal Access Fund year covering the period July 1, 2018, through June 30, 2019. All applicants were audited by Hurlbert CPA, LLC. Under a Commission-approved process, an ILEC applicant can choose to have its application considered on one of two "tracks." Under Track 1, the applicant voluntarily limits its request to no more than \$1,000,000 in a streamlined process that does not ordinarily require a hearing. Under Track 2, the applicant can request a disbursement exceeding \$1,000,000 but would undergo a mandatory hearing during which any party could raise concerns regarding any aspect of the application.

In 2020 the Commission approved total disbursements for the 25<sup>th</sup> UAF year of \$27,870,944. The approved disbursements are listed below.

<b>25th UAF Year (7/1/2018-6/30/2019)</b>	
<b>Company</b>	<b>Approved Disburse</b>
Alma Telephone Company	\$ 1,087,213.00
Blue Ridge Telephone Company	\$ 2,659,460.00
Brantley Telephone Company, Inc.	\$ 1,660,388.00
Bulloch Telephone Cooperative	\$ 1,925,950.00
Camden Telephone & Telegraph Co., Inc.	\$ 2,137,003.00
Chickamauga Telephone Corporation	\$ 960,503.00
ComSouth Telecommunications, Inc.	
Darien Telephone Co., Inc.	\$ 1,918,506.00
Glenwood Telephone Company	\$ 351,968.00
Hart Telephone Company	\$ 715,137.00
Nelson-Ball Ground Telephone Company	\$ 1,502,830.00
Pembroke Telephone Company, Inc.	\$ 1,000,000.00
Pineland Telephone Cooperative, Inc.	\$ 1,086,177.00
Plant Telephone Company	\$ 904,890.00
Planters Rural Telephone Cooperative	\$ 1,729,743.00
Progressive Rural Telephone Co-op., Inc.	\$ 2,277,139.00
Public Service Telephone Company	\$ 1,345,555.00
Ringgold Telephone Company	\$ 2,038,787.00
Trenton Telephone Company	\$ 2,564,286.00
Waverly Hall Telephone, LLC	\$ 5,409.00
	<b>\$ 27,870,944.00</b>

House Bill 168, which took effect on June 4, 2010, phased out intrastate access charges and allowed the lost revenue to be offset by higher basic service rates. Pursuant to the statute, the Commission first determined a benchmark local service rate by calculating 110% of the July 1, 2009 residential statewide average rate for basic local exchange service. Next, the Commission set a schedule by which local rates would be increased to the benchmark rate. The approved schedule required basic local exchange service rates to increase by an amount not to exceed \$1.61 per month per year for a period of nine years with a true-up in the tenth year. For 2021, the statewide benchmark was increased to \$21.86, after adjusting for inflation.

### **Telecommunications Relay Service (TRS)**

Hamilton Telecommunications has been the Georgia TRS provider since April 2006. Headquartered in Nebraska, Hamilton currently provides relay service in 17 states. Hamilton, known here as Georgia Relay, operates a call center in Albany, Georgia, seven days a week, 18 hours a day, employing over 339 communications assistants. In 2020, the Relay Center in Albany processed an average of almost 50,000 relay calls per month. The total cost paid from the TRS fund was \$516,811 for 2020. The TRS portion was \$153,905.

With Commission approval, Hamilton implemented Captioned Telephone Service (CapTel®) in Georgia in January 2008. An enhanced form of relay service, CapTel® allows individuals with hearing loss to view word-for-word captions of their telephone conversations. Over 1,300 subscribers now use the system, averaging approximately 30,000 calls a month. The cost of this service for 2020 was \$362,906.

## **Telecommunications Equipment Distribution Program (TEDP)**

The Commission established the Georgia TEDP in March 2003 pursuant to the provisions of House Bill 1003. This program provides specialized telecommunications equipment to Georgians who, because of physical impairments (particularly hearing and speech), cannot otherwise communicate over the telephone. Receipt of free equipment under this program is subject to medical and financial eligibility requirements. To date, approximately 8,571 equipment items, which includes approximately 1,100 CapTel® phones, have been distributed to hearing or speech-impaired applicants. The Commission contracts with the Georgia Council for the Hearing Impaired (GACHI) to be the distribution agency for the Georgia TEDP. The cost of this service for 2020 was \$801,409.

## **Audible Universal Information Access Service (AUIAS)**

In 2006 the Legislature created a statewide AUIAS to provide blind and print-disabled citizens of Georgia with telephonic access to print media publications. The law gave the Commission oversight of the service. Following a competitive bidding process, the Commission selected the National Federation of the Blind to administer the service. Since June 2006, the AUIAS has provided continuous audible universal access to all Georgia telephone exchanges, 24 hours a day, seven days a week and 52 weeks a year. The system is accessible by dialing a toll-free or local number anywhere in the state and has the capacity to serve an unlimited number of subscribers. Currently, there are over 2,900 subscribers to this service. The total number of Georgia citizens that could potentially benefit from this service exceeds 25,000, as demonstrated by the number of current subscribers to the Georgia Library for Accessible Services. The cost of this service in 2020 was \$223,410.

## **Hearing Aid Distribution Program**

In August 2007, the Commission approved the Hearing Aid Distribution Program according to the provisions of House Bill 655, which authorized use of TRS funds for the distribution of hearing aids. The Commission contracted with the Georgia Lions Lighthouse Foundation, a nonprofit organization that has provided hearing aids to low-income Georgians for over 30 years. Under the current contract, the Foundation receives \$945,081 each year and \$3,497 for each child under the age of 20 who qualifies for this program. The Foundation partners with two hearing aid manufacturers and maintains a network of over 180 audiologists throughout the state. The program distributed over 1,800 hearing aids to 934 applicants in 2020.

## **CONSUMER AFFAIRS UNIT**

The Consumer Affairs Unit is the primary contact for consumers to make their concerns and issues known to the Commission. Consumers convey these concerns and issues in the form of complaints, inquiries, or opinions, collectively referred to as “contacts.” Consumers can file contacts and opinions in person, via telephone, fax, regular mail, email and internet.

The Consumer Affairs Staff interacts with representatives from the utility industries to resolve consumer complaints, discuss complaint trends and possible courses of action to address problematic trends, and ensure mutual understanding of respective business processes and policies.

Consumer Affairs Staff has direct involvement with both the general public and industry representatives. This direct involvement gives the Consumer Affairs Unit a unique perspective making it a source of valuable information for other work groups within the Commission. In addition to complaint resolution, the Consumer Affairs Unit is responsible for consumer education and community outreach.

Many contacts to the Consumer Affairs office in 2020 were concerns about meeting financial obligations for utilities during the COVID-19 emergency. Staff provided direct information and also directed consumers to agencies able to help them during this unprecedented time.

## **Inbound Contacts**

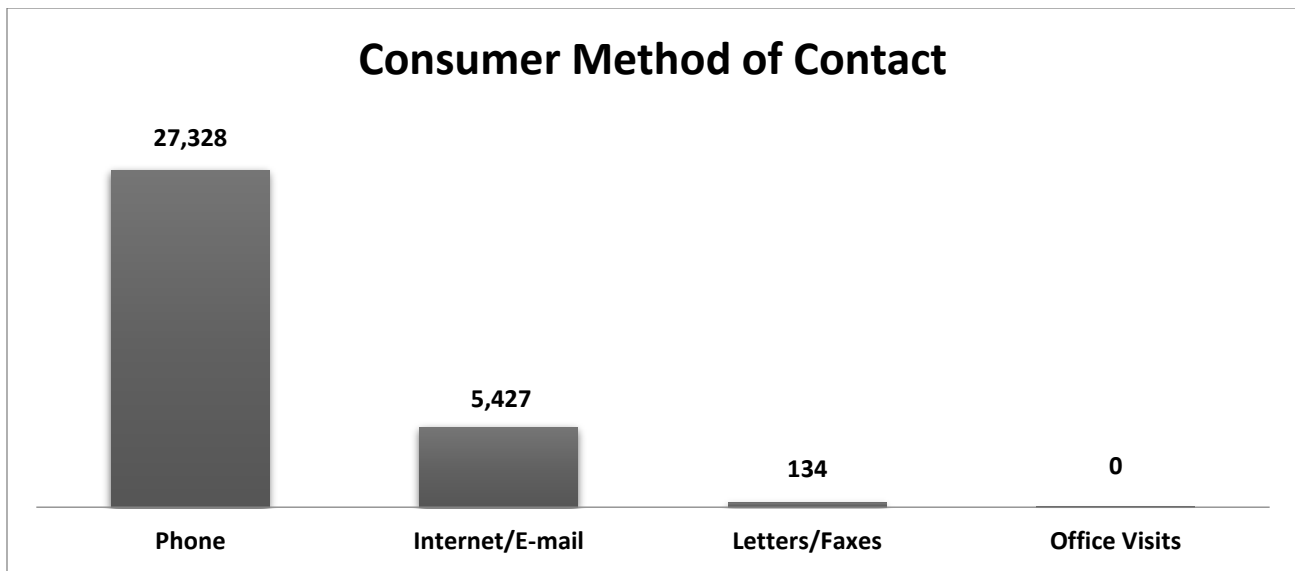
The main method that consumers use to contact the Commission is by telephone. The Consumer Affairs Unit has a total of six staff members that answer all calls coming through the Automated Call Distribution (ACD) system. Incoming Spanish calls are routed to bilingual staff members (one member is located in the Consumer Affairs Unit) for assistance. The total number of calls reported by the Commission's Automated Call Distributor (ACD) for 2020 was 27,328 (this includes Spanish calls).

Telephone calls comprised the majority of all inbound contact methods to the Consumer Affairs Unit in 2020. Internet/E-mail contacts continued to be the second preferred method of contacting the Commission in 2020 with a total of 5,427 contacts.

Regular mail and faxes were also methods consumers used for communicating with the Commission. The total paper correspondence in 2020 (letters and faxes) was 134. The Office of Consumer Affairs also takes complaints from consumers that visit the Georgia Public Service Commission in person. Due to the Covid-19 restrictions in 2020 the Office of Consumer Affairs did not meet in person with any consumers. In all, Consumer Affairs representatives received 32,889 inquiries, complaints, and opinions from the general public in 2020.

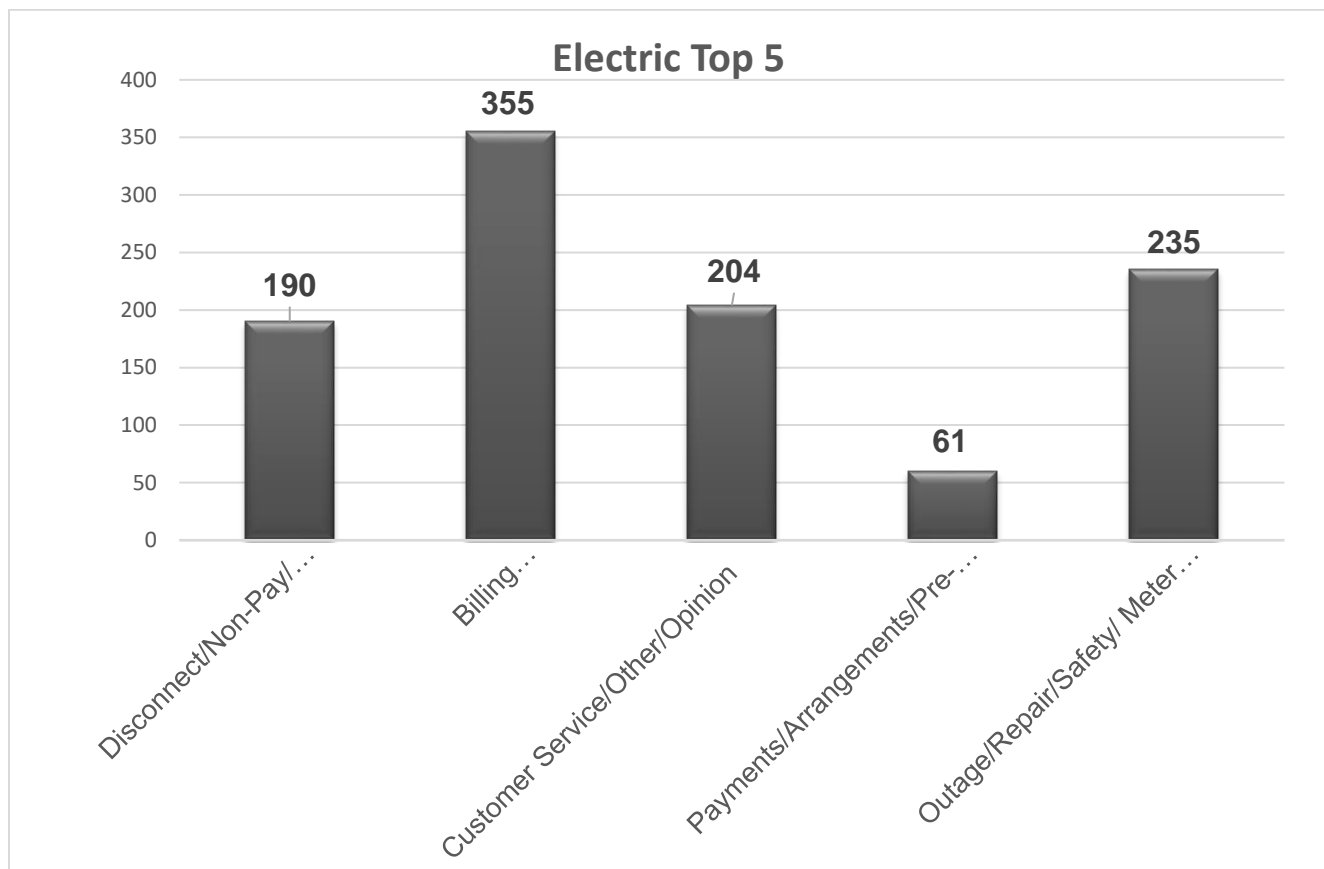
Some of the contacts received from consumers will require referral or follow-up by a Consumer Affairs staff member. Contacts requiring referral or follow-up are recorded in the Consumer Response System (CRS) database. Referrals are the contacts that staff send via e-mail to the utility company for a response. Follow-Ups include making calls or sending e-mails to the representatives of the utility as well as contacts to and from consumers.

## Consumer Method of Contact



## Electric Consumer Issues

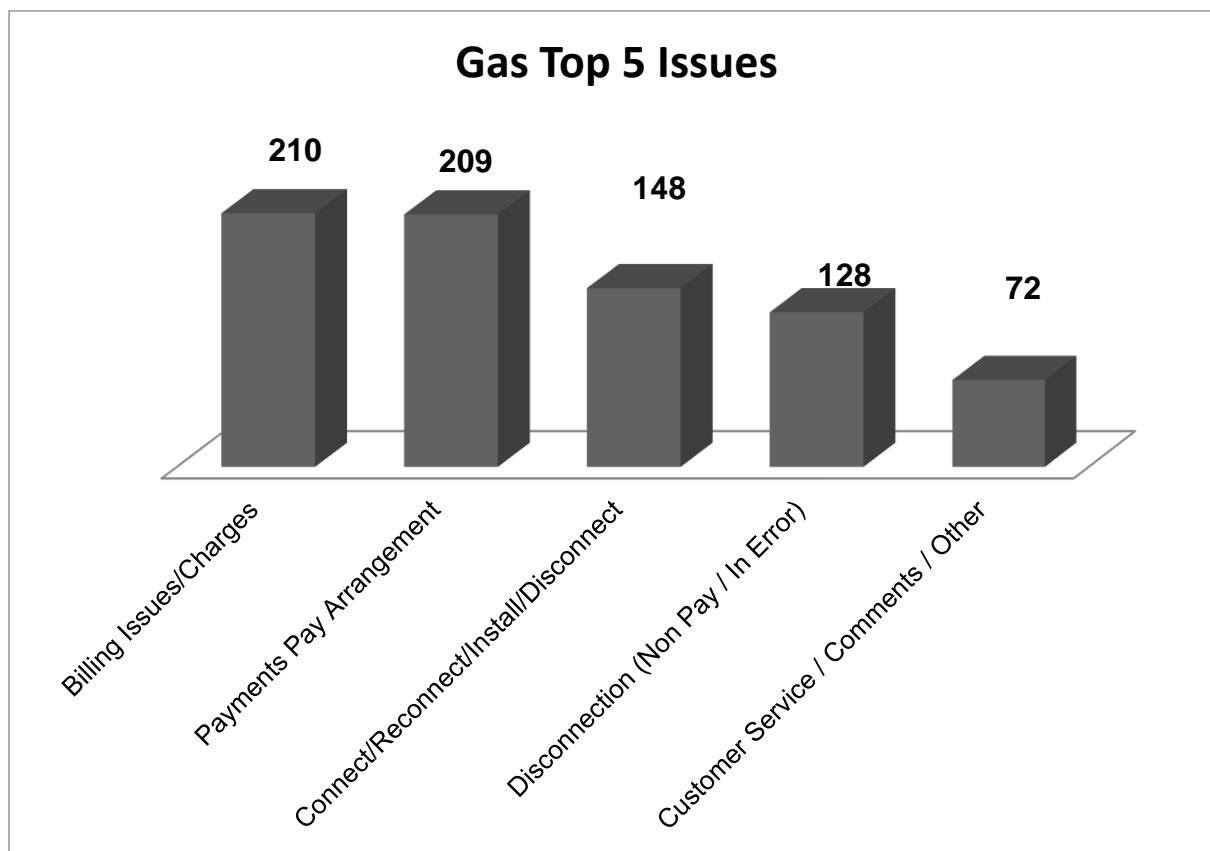
Electric contacts decreased from 1,629 in 2019 to 1,045 in 2020.



## Natural Gas Consumer Issues

Natural Gas contacts decreased from 878 in 2019 to 767 contacts in 2020.

The major Natural Gas issues for 2020 were calls concerning billing issues/charges, payments/payment arrangements, connections/reconnections, and disconnection preventions.

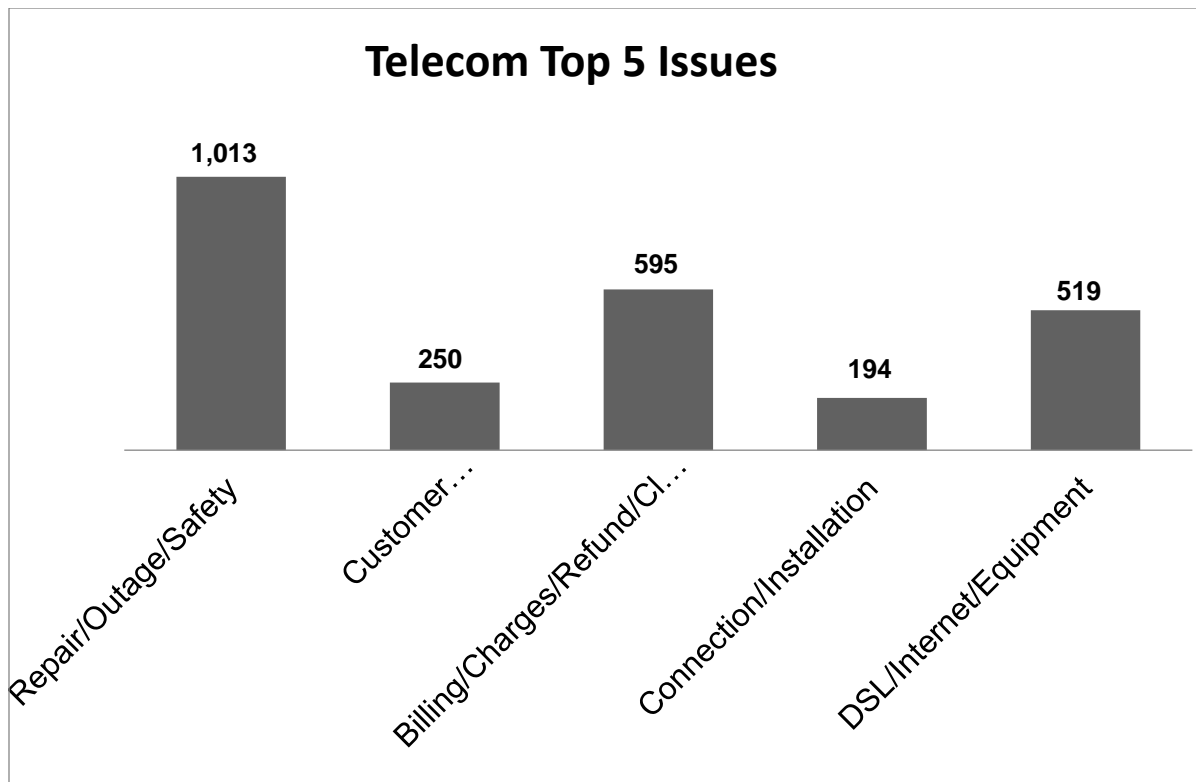


## Telecommunications Consumer Issues

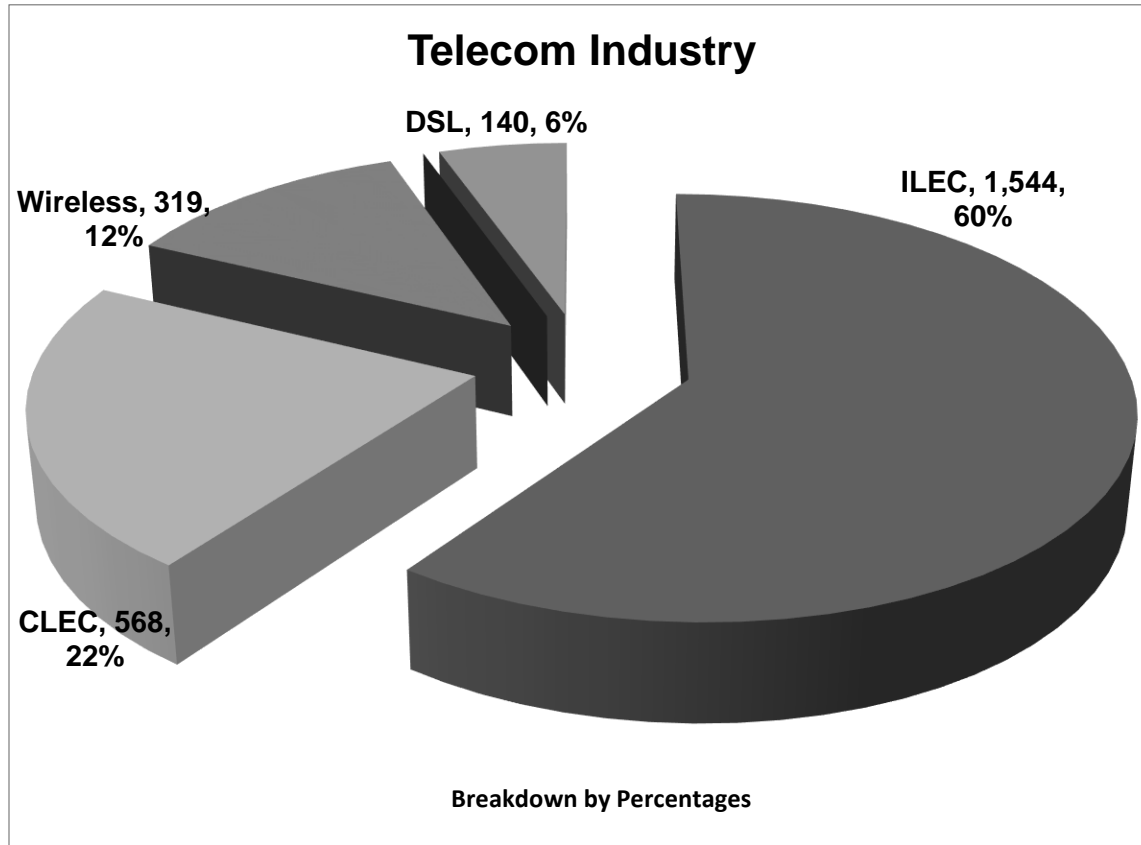
Telecommunications contacts increased from 2,320 in 2019 to 2,571 contacts in 2020. Independent Local Exchange Carriers (ILEC) had 1,544 complaints, Competitive Local Exchange Carriers (CLEC) had 568 complaints, Wireless (cell phone) complaints totaled 319 and Digital Subscriber Line (DSL) had 140 complaints for 2020.

The major telecom issues for 2020 were calls concerning repair/outage, customer service and billing. The main complaints from consumers were repairs and safety issues. Most of these concerns related to outages from inclement weather.





In 2020 Independent Local Exchange Carriers (ILEC) and Competitive Local Exchanges Carrier (CLEC) contacts made up the largest number of the telecommunications calls to the Consumer Affairs Unit.



## **Consumer Affairs Community Outreach**

Due to COVID 19 restrictions in 2020 the Consumer Affairs Unit was not able to continue their Outreach activities. Consumer Affairs Staff was able to attend a Zoom meeting of the annual H.E.A.T (Heating Energy Assistance Team, Inc.) meeting. The Consumer Affairs Unit will continue their efforts to increase public awareness of the mission of the Georgia Public Service Commission.

## **INTERNAL CONSULTANTS UNIT AND ENERGY EFFICIENCY AND RENEWABLE ENERGY GROUP**

The Internal Consultants Unit of the Utilities Division provided expertise to the Electric, Natural Gas and Telecommunications Units. During 2020, Internal Consultants served on several major cases which included lead on the Plant Vogtle Units 3 and 4 Construction Monitoring, Docket No. 29849; lead on the Georgia Power Company Fuel Cost Recovery Case, FCR-25 Docket No. 43011, and the Liberty Utilities 2020 Rate Case, Docket No. 42959. IC Staff provided expert testimony as part of the Public Interest Advocacy Staff and served as Commissioner Advisory Staff as well.

In June 2020, the Commission created a new utilities unit, the Energy Efficiency and Renewable Energy (EERE) Unit, and promoted longtime PSC staffer Jamie Barber to director. Previously, Barber was manager of EERE when it was a division of Internal Consultants.

During 2020, EERE oversaw multiple renewable project procurements that were ordered in Georgia Power's 2019 Integrated Resource Plan (IRP). The 2019 Final IRP Order required the procurement of 2,000 megawatts (MW) of Utility Scale renewable resources, 210 MW of Distributed Generation (DG) resources, and 50 MW of new biomass generation. The Final Order also included a 15% increase in Energy Efficiency (EE) kilowatt-hour (kWh) savings for both Residential and Commercial portfolios, six Residential Demand Side Management (DSM) programs, and five Commercial DSM programs. On October 8, 2020, the Commission increased the biomass procurement amount to 60 MW.

In response to specific issues raised in EERE Staff's testimony during the IRP, Georgia Power continued to work with EERE Staff to address aspects of Georgia Power's Renewable Cost Benefit Framework (RCB Framework) which is used in the valuation of adding Renewable resources to the grid. The RCB Framework is also used in the valuation for behind-the-meter (BTM) rooftop solar. Specifically, EERE Staff pointed out inconsistencies between Utility Scale and DG profiles, improvements to the calculation of the Generation Remix, Support Capacity, and Deferred Generation Capacity components, and that solar plus storage projects should be considered their own technology in regard to the RCB Framework. During the latter part of 2019 and into 2020, EERE Staff worked with Georgia Power to address these concerns. On January 21, 2020, Georgia Power filed a Compliance Filing which addressed several of the issues raised by the EERE Unit in the 2019 IRP. As required by the Commission's 2019 IRP Final Order, issues that were not resolved between Commission Staff and Georgia Power within four months after the Order, the Company and Staff would continue to make a good faith effort to address those issues prior to the 2022 IRP.

EERE Staff worked with Georgia Power and the Independent Evaluator, Accion Group, in establishing the Company's 2022/2023 Utility Scale RFP which was issued on June 19, 2020. This RFP seeks renewable resources, with a total procurement of at least 800 MW up to a maximum total procurement of 1,200 MW, with in-service dates of 2022 or 2023. The procurement is comprised of 500 MW for all retail customers, 300 MW for subscription by existing Customer Renewable Supply Procurement (CRSP) Program-eligible C&I customers, and up to 400 MW for subscription by CRSP-eligible customers with qualifying new load additions. EERE Staff, Georgia Power and the Independent Evaluator reviewed the bids that were received and will continue to work toward the finalization of this procurement during 2021.

EERE Staff worked with Georgia Power and the Independent Evaluator in establishing the Company's Biomass RFP which was issued concurrently with the Company's 2022-2028 Capacity RFP. This RFP seeks to procure 60 MW of new woody biomass generation. The RFP is structured to solely procure new woody biomass in conformance with the 2019 IRP Order to competitively procure new, geographically diverse, biomass resources, considering Hurricane Michael's impact on forestry in Georgia Power's territory. EERE Staff, Georgia Power and the Independent Evaluator reviewed the bids that were received and will continue to work toward the finalization of this procurement during 2021.

EERE Staff worked with Georgia Power in establishing the Company's 2020 DG RFP which was issued on October 1, 2020. This RFP seeks to procure 160 MW of DG solar resources (fixed-tilt or tracking) sized greater than 1 kW up to 3 MW (AC). EERE Staff and Georgia Power reviewed the bids that were received and will continue with the procurement of DG resources during 2021.

EERE Staff worked with Georgia Power in establishing the Company's Renewable Energy Development Initiative (REDI) CS II DG Program and Customer-Connected Solar Program (CCSP). On May 26, 2020, the Commission split the 50 MW customer-sited procurement target into two 25 MW programs. The Commission directed Georgia Power to procure 25 MW through CCSP as filed and to procure the remaining 25 MW using the prior REDI CS DG Program Guidelines and PPA with updated pricing. The application period for the Customer sited program concluded in January 2021 and the CCSP is ongoing.

EERE Staff monitored Georgia Power's construction of a Self-Build 128 MW solar project at the Warner Robins Air Force in Warner Robins, GA. This project is expected to reach commercial operation by 4/15/2021.

On February 6, 2020, the Commission approved Georgia Power's 2019 Base Rate Case in its Order Adopting Settlement as Modified in Docket No. 42516. The Commission's Order established that the BTM netting period length for customers receiving service on the Renewable and Nonrenewable Resources (RNR) tariff be changed from instantaneous to monthly for the first 5,000 rooftop solar ratepayers or until new installed capacity reaches 32 MW, whichever occurs first. The RNR Tariff limits renewable energy resources to a maximum of 10 kilowatts (kW) for Residential projects and 250 kW for Commercial projects, as specified by the combined AC nameplate capacity rating of the inverter(s).

EERE Staff recommended revisions to the Company's proposed RNR-10 tariff and that the Company and Staff should collaborate to define and establish a reporting process that can be easily accessed and updated with current information to track the remaining available enrollments and capacity for the RNR tariff options. EERE Staff's recommendations were approved by the Commission. Georgia Power's updated RNR Tariff was approved on June 9th,

2020 which included a Monthly Netting calculation. In the RNR-Monthly Netting program, excess energy generated by a participating customer's solar panels will be summed on a monthly basis and used to reduce their total monthly energy consumption of purchases from the utility. Excess generation from the customer's rooftop system that exceeds a customer's total monthly energy usage will be credited at the annual Solar Avoided Energy Cost Rate.

Georgia Power posted RNR program information on its website with an enrollment tracker for interested customers. EERE Staff has continued to provide updates on the Commission's website about the current status of the transitioning of existing RNR customers to the RNR-Monthly Netting program. As of March 3, 2021, 1,776 customers and 9.388 additional MW have enrolled in the Company's RNR tariff.

Additionally, the Commission, in its 2019 Final IRP Order, ordered the re-opening of a proceeding in Docket No. 4822 to ensure the appropriate valuation of renewable and demand side resources and for PIA Staff to initiate a review of the Company's methodology and computation of avoided cost under the Public Utility Regulatory Policies Act ("PURPA"). Given the overlapping nature of the issues, and to ensure all impacted programs and avoided cost calculations were addressed, Docket Nos. 16573 and 19279 were re-opened as well. The EERE Unit, along with members of the Electric Staff, represented the PIA Staff and established the Procedural and Scheduling Order for the dockets. Multiple rounds of Data Requests were issued and responses were reviewed by the EERE Unit. EERE Staff, along with its consultant Daymark Energy Advisors, filed Rebuttal Testimony on December 4, 2020, in advance of hearings that were held in January 2021. The case is ongoing in 2021 and the Commission will decide the case in March 2021.

EERE Staff also oversaw Georgia Power's DSM and EE programs and reviewed Georgia Power's Annual DSM True-Up to verify program spending and cost recovery which is used to update the DSM tariffs. EERE Staff provided oversight for the launch of the DSM programs that were approved during the 2019 IRP/DSM Certification. There were two new Residential programs and one new Commercial program approved by the Commission. The new Income-Qualified Tariff Based Financing Pilot, later renamed the Residential Investment for Saving Energy, was developed with significant Staff oversight. On May 5th, the pilot was approved by the Commission although the launch of the pilot was delayed due to Covid-19. The RISE pilot will serve up to 500 homes split between Athens and six low income zip codes in the Atlanta area. The pilot covers all upfront costs of energy efficiency improvements and the customer repays these costs as a line item on the customer's bill for up to 10 years. To ensure that the customer receives benefits of a lower bill, only 80% of the cost savings generated is used to pay back the upfront costs throughout the payback period. Evaluations for the Commercial Indoor Agriculture, Smart Home, and Whole Building Aggregation Tool pilots were completed and reviewed by EERE Staff. The plans and surveys for the 2021 EM&V Report were developed by GPC and reviewed by Staff. Staff worked with the Company throughout 2020 to design the DSM Planning Scenario White Paper that was approved by the Commission in the 2019 IRP. This Whitepaper will be completed in April 2021. During 2020, EERE Staff continued to facilitate the DSM Working Group and held meetings virtually with a variety of consumer advocates.

EERE Staff worked with Georgia Power to design contingencies related to the Covid-19 pandemic. Several DSM programs were paused from March throughout the summer including the Residential HEIP whole home portion, Refrigerator Recycling Program, Thermostat Demand Response and Small Commercial Direct Install. All energy efficiency marketing was paused for several months to ensure that the Company's messaging was focused on Covid-19 issues. Other programs, such as the Commercial Behavioral, faced delays in the expected

launch due to a new implementer. All programs faced a steep challenge to achieve the approved energy savings targets. EERE Staff worked with GPC to shift budgets, targets and modify incentives where possible to maximize program effectiveness. Staff also worked with the Company to deliver energy efficiency kits to thousands of income-qualified customers across the state. By the end of 2020, only the programs that were self-implemented, the Small Commercial Direct Install and Home Energy Efficiency Assistance programs, were still paused due to Covid-19 related concerns. The Residential DSM programs reached 90% of their targeted 2020 savings goal due to significant shifts in program design as well as adjustments to approved program specific kWh goals. The Commercial DSM programs reached 46% of the approved 2020 savings target, despite making adjustments due to Covid-19, mostly due to uncertainty by Commercial customers to invest during the potential economic downturn.

## **FACILITIES PROTECTION UNIT**

The Facilities Protection Unit (FPU) of the Georgia Public Service Commission is composed of two distinct areas: Pipeline Safety and GUFPA (Damage Prevention) enforcement.

The pipeline safety function is carried out under an agreement with the Pipeline and Hazards Materials Safety Administration (PHMSA) of the U.S. Department of Transportation (DOT). Pipeline safety inspectors are responsible for enforcing federal regulations for the safe installation and operation of natural gas pipelines. The year 2020 marked the 52nd year of the Commission's relationship with PHMSA.

The Commission assumed responsibility for damage prevention efforts in 2000, following passage of the Georgia Utility Facility Protection Act ("GUFPA") Law. The goals of GUFPA are to prevent injury to Georgia citizens, and damage to buried utilities by requiring those who want to perform mechanized excavation to call 811 before digging, so facility owners can mark the location of buried utility facilities to avoid damage.

### **Pipeline Safety**

Pipeline Safety inspected master meters, municipals, and private operators during 2021. This is no small task, given the number of operators and geography of the state. Of Georgia's 159 counties, intrastate natural gas is transported through 149 of them. The Table below illustrates the various types of inspections that were performed in 2020. These numbers are notable, given the fact that most of 2020 was under quarantine; a large number of these inspections were conducted virtually.

<b><u>Inspection Type</u></b>	<b><u>Inspection Days</u></b>
Standard Comprehensive	468
Design, Testing, and Construction	123
Integrity Management	156
Operator Qualification	73
Investigating Incidents or Accidents	35
Compliance Follow-up	133
Damage Prevention	9
<b>TOTAL Inspection Days</b>	<b>997</b>
Anti-Drug & Alcohol	30 Inspections



Inspection numbers vary each year depending on the type of inspection. Each inspector must conduct a compliance follow-up inspection if there are current or remaining violations. Oftentimes, the follow-up inspection can take as many days as the actual inspection.

### **Georgia Utility Facility Protection Act (GUFPA) Enforcement**

Efforts to prevent damage to buried utilities in Georgia stem from the requirements of the Georgia Utility Facility Protection Act of 2000 which assigns responsibility for enforcement to the Georgia Public Service Commission.

Facilities Protection is one of the few areas where Commission jurisdiction extends beyond the electric, telephone and natural gas industries. The PSC is responsible for enforcing the Call Before You Dig laws for all utility facilities. During 2020, system owners and operators reported 4,196 incidents where facilities were damaged. Over 50% of the damages were to natural gas lines, while the remaining damages were to non-gas facilities.

<b>Reported Damages in 2020</b>	
Natural Gas	2,822
Telephone	491
Electric	355
Cable TV	332
Water	192
Sewer	4
Total Non-Gas Incidents	1,374
<b>Total Damages Reported</b>	<b>4,196</b>

Staff investigated 6,750 incidents for alleged violations of the GUFPA law. The enforcement actions in 2020 included mailing 219 hearing notices, 802 consent agreements, and 339 final orders. The Commission's Hearing Officer heard no cases in 2020 due to the pandemic. Of the 5,117 cases closed, 2,191 related to damaged natural gas lines. These cases concluded with the Commission's levying \$7,738,360 in civil penalties, of which \$6,255,500 was mitigated with training.

To prevent incidents due to excavators' failure to appreciate the severity of possible damage when safety regulations are ignored or failure to understand the legal requirements, the PSC gives violators the option of attending safety training in lieu of paying the full civil penalty assessed. In 2020, 672 locators, excavators, and facility owners and operators attended one of the 100 Commission-approved dig law training presentations.

The Commission continued other damage prevention efforts in 2020. During the COVID-19 pandemic, staff participated in 45 video and on-location presentations to over 149 attendees. The challenges included expressing the importance of safe social distancing at those locations and finding creative ways to delivering an effective message to others in front of a camera. 2020 has changed the way GUFPA interacts with the community, facility owners and the excavators in Georgia. The GUFPA Staff's participation in these meetings continues to strengthen the



Commission's relationship with various groups across Georgia who are dedicated to damage prevention even during COVID-19.

### **Training and Pipeline Safety Seminar**

The FPU Director continually offers training opportunities to the operators, as well as the option of requesting an informal conference to discuss any probable violations of the Federal or State pipeline safety rules. Pipeline Safety Staff has spent a great deal of effort traveling throughout Georgia to provide all natural gas municipalities the opportunity to meet with the FPU Staff, to discuss issues or concerns, and to inquire about the Staff's expectations for inspections. The goal is to ensure that the municipal operators located outside of Metro Atlanta have the same opportunities as the operators located in Metro Atlanta.

During the COVID-19 pandemic, the Staff was unable to have an in-person 2020 Pipeline Safety Seminar, however, Staff was able to provide information to operators through the Georgia Municipal Association (GMA) Gas Section in November 2020. For 2021, the a few members of the FPU Staff plan to attend the annual GMA meeting in order to provide any regulatory updates to the operators. This will also provide the attending municipal operators with the opportunity to meet with the Director/Staff and discuss issues, questions, etc. FPU Staff strives to build a strong and effective working relationship between the PSC and natural gas operators, in order to achieve the ultimate goal of pipeline safety.

### **National Association**

Staff was unable to attend the National Association of Pipeline Safety Representatives (NAPSR) Southern Region conference in Kentucky, due to travel restrictions and the fact that the meeting was eventually canceled because of COVID. This annual meeting is held in one of eight Southeastern states and serves to have regional pipeline safety and damage prevention departments meet and discuss regulations and other topics. The meeting for 2021 is planned for September, depending on COVID restrictions at that time.

Due to COVID-19, NAPSR was unable to hold its national meeting that was planned for Alabama in October 2020. The 2021 national meeting is scheduled for August 2021 in South Dakota.

### **Additional Facility Protection Program Activities**

Pipeline Safety Staff continued enforcing the federal public awareness regulations, including, Drug and Alcohol, Operator Qualifications, Construction, Comprehensive Inspections, Integrity Management, etc. during 2020. In addition, several Staff members participated in numerous on-site operator training classes to expose operators to more in-depth information on specific regulations, policies, procedures, etc. We lost two inspectors in 2020 – one to retirement and one to industry. We also transferred one pipeline safety employee to GUFPA. We plan to hire up to two inspectors in 2021. Prior to completing certification, new inspectors are paired with seasoned inspectors. This allows the new employee to train under the more experienced employee, which is invaluable for this type of work, given the steep learning curve.

## ADMINISTRATION DIVISION

Throughout 2020, the Commission continued to maintain the highest standards in performing the administrative functions that enable the Commission to better serve the public by making the most prudent use of its resources. The Commission worked within the constraints of its budget to promote efficiencies and make the maximum use of taxpayers' monies to fulfill its mission.

The Commission's Administration Division, headed by the Executive Director, is comprised of the Executive Secretary, Budget and Fiscal Office, Human Resource Office, Public Information and Legislative Liaison Office and the Office of Operations Support. An overview of the responsibilities and accomplishments of each of these is set forth below.

### EXECUTIVE SECRETARY

The Executive Secretary's Office is responsible for receiving all public documents filed at the Commission. The Executive Secretary's responsibilities include scheduling Commission proceedings, assigning hearing officers, signing and certifying Official Orders, and preparing lists of interveners for docketed matters.

In 2020, this Office opened 702 new case dockets; processed 4,248 filed documents; and filed 540 orders prepared for the Chairman's and Executive Secretary's signature. The number of dockets has grown tremendously over the past two decades.

During 2020, the Commission held, at the Public Service Commission offices until March 13, and then via zoom for the remainder of the year, **76 public hearings constituting** either a quorum of the Commission or a hearing officer assigned by the Commission. Matters docketed for public hearing are generally heard by the entire Commission in open session with a majority of the five-member Commission constituting a quorum.

Regular Commission Administrative Sessions are held on the first and third Tuesdays of each month. Committee meetings are held on the Thursdays prior to Administrative Sessions. The four standing Committees of the Commission are Energy, Facilities Protection, Telecommunications and Administrative Affairs.

### BUDGET AND FISCAL OFFICE

The primary role of the Budget and Fiscal Office is to develop the agency's Annual Operating Budget and monitor expenditures to ensure the Commission's compliance with all of its fiscal responsibilities. This task is accomplished, in conjunction with the Executive Director and the PSC Commissioners through interactions with the Governor's Office of Planning and Budget (OPB) and the Legislative Budget Offices as well as other Commission staff. The Office manages the fiscal responsibilities of the Commission through recommendations and monitoring of requests for the agency's State and Federal funding, purchasing, asset management and accurate financial reporting of results to Federal, State and other agencies as required or requested. In FY2020, the Budget and Fiscal Office accurately monitored and effectively managed a budget with revenues and expenses of \$11.4 million dollars which was \$500,000 less than 2019.

The Office continued to support the State Leadership in meeting all directives to control and reduce the overall budget for the PSC. Continued to enhance analytical and modeling tools implemented to monitor, control and forecast all expenses. Each budget item was analyzed in great detail and revaluated in order to submit Budgets for AFY 2021 and FY 2022. In order to achieve its mission, the Office used the OPB Financial Management System to prepare and submit the Commission budget, including all amendments and scheduled allotments of funds.

## **HUMAN RESOURCES OFFICE**

The Human Resources Office (HRO) strives to meet the employee benefits, payroll, and life-changing needs of the Commission. This office remains available to assist employees in many work-related and personal areas. The office strives to enhance the work experience and lives of employees by making them aware of new or updated programs and policy changes by the State.

COVID-19 presented serious challenges to keeping the Public Service Commission's mission fulfilled. The Human Resources workforce has played a key role in keeping staff on mission. This has been a tremendous team effort.

During 2020, the PSC lost 12 staff members: six retired, four departed for better opportunities, one was terminated, and sadly the Human Resources Manager passed away. The PSC hired four new staff members. Due to budget reductions, the PSC still has unfilled open positions. Human Resources continues to work with the Commissioners and senior leadership to update and solidify a succession plan.

With each passing year, PSC has more staff getting closer to retirement age. Some staff have 30 years of service or more. With this in mind, the PSC expects additional employees to retire over the next few years. Human Resources is a strategic partner in replenishing the open positions with highly qualified individuals.

## **OFFICE OF OPERATIONS SUPPORT**

The Office of Operations Support continued to improve cybersecurity defenses and procedures, and efficiency during 2020. The revamped website, introduced in 2019, continued to evolve with enhanced features and offerings. The team designed an e-file system for Docket filing to continue to maintain regulatory productivity and continuity during the COVID19 pandemic. In addition, the Operations Support team redesigned the Career portal to improve efficiency and security for job application data *see Figure 1 and a form submission page for Electric Residential Rate Surveys shown in Figure 2.*

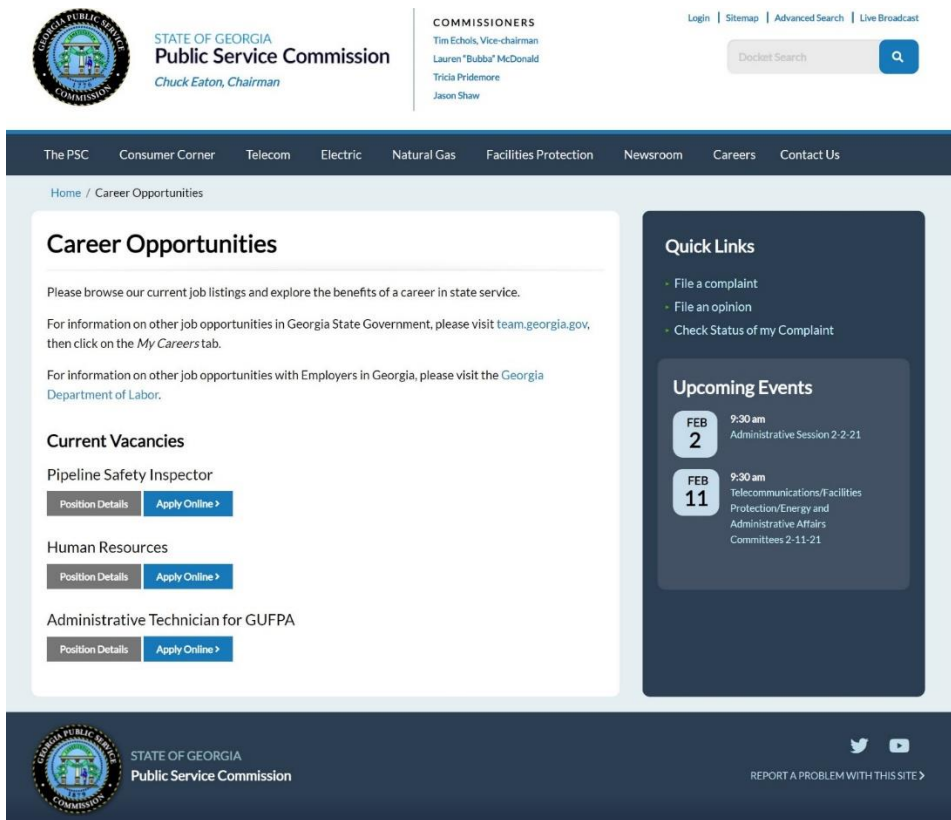


Figure 1: The Georgia Public Service Commission Career Portal

Home / Residential Rate Survey Submission

### Residential Rate Survey

The Georgia Public Service Commission conducts a statewide bi-annual Residential Rate Survey. The results of this survey are posted on the Commission's website and lists rate information from all Georgia electric utilities.

Survey Date \*

Organization Name \*

Utility Type \*

☐ EMC

☐ Municipal

☐ IOU

Website URL

Contact Information

Have there been any changes in Contact information since last submittal? \*

☐ Yes

☐ No

First Name \*

Figure 2: Electric Residential Rate Survey

The Georgia Public Service Commission has remained productive and responsive to regulatory responsibilities during the pandemic with the use of web conferencing for use with official agency Committee, Administrative and Docket hearings and for internal use with meetings and planning purposes. Since the execution of the agency telework policy in mid-March due to the

pandemic, the Commission has held 57 proceedings remotely using web conferencing technologies. All recordings are available for viewing via the Georgia Public Service Commission YouTube channel via the following secure link:

<https://www.youtube.com/c/GeorgiaPublicServiceCommission/videos>

During the period between January 1, 2020 and December 31, 2020, the agency website received 705,651 new site visitors. Of these new site visitors 94,212 utilized a mobile phone compared to 25,281 from the previous year during the same time period, a 272.66% increase (Figure 3) and 8,620 new site visitors utilized a tablet vs. 5,114 from the previous year during the same timeframe, this was a 68.56% increase. This increase of mobile device visits is directly related to the July 2019 deployment of the new website built with responsive webpages that dynamically adjusts content to fit the screen regardless of the type of device used by the site visitor (desktop, mobile phone or tablet).

Device Category	Users
1. desktop	
Jan 1, 2020 - Dec 31, 2020	600,609 (85.38%)
Jan 1, 2019 - Dec 31, 2019	164,814 (84.43%)
% Change	264.42%
2. mobile	
Jan 1, 2020 - Dec 31, 2020	94,212 (13.39%)
Jan 1, 2019 - Dec 31, 2019	25,281 (12.95%)
% Change	272.66%
3. tablet	
Jan 1, 2020 - Dec 31, 2020	8,620 (1.23%)
Jan 1, 2019 - Dec 31, 2019	5,114 (2.62%)
% Change	68.56%

Figure 3: New site visitors based on device (July 1, 2020 – Jan 31, 2021)

Using the website staff and external stakeholders can register and subscribe to a docket to receive notifications if a new filing is added to the system or there are any modifications to a docket filing.

The agency is nearing completion of the STARS project. This project purpose was to provide data transparency, efficiency and improved functionality applications.

During the first 2020 Calendar year between January 01, 2020 and December 31, 2020 the Commission website received 1,404,912 Pageviews (hits of the page load into a browser), 705,464 returning users (unique visits) and 705,651 first time visitors.

The ten most frequented landing pages are shown in Figure 4. The / symbol in the first row denotes the Georgia Public Service Commission home page at <https://psc.ga.gov>.

Landing Page	Users
1. /	99,250 (13.41%)
2. /search/facts-docket/?docketId=42516	86,132 (11.64%)
3. /search/facts-docket/?docketId=29849	85,420 (11.54%)
4. /search/facts-docket/?docketId=42315	85,640 (11.57%)
5. /search/facts-docket/?docketId=36989	85,245 (11.52%)
6. /search/facts-docket/?docketId=31647	84,566 (11.42%)
7. /utilities/natural-gas/marketers-pricing-index/	67,859 (9.17%)
8. /utilities/natural-gas/list-of-certified-marketers-and-contact-information/	40,467 (5.47%)
9. /about-the-psc/commissioners/lauren-mcdonald/	17,881 (2.42%)
10. /about-the-psc/commissioners/jason-shaw/	15,633 (2.11%)

Figure 4: Top ten visited agency landing pages

During 2020, the objectives of the Operations Support office were to improve enhance network continuity, ensure Commission business continued efficiently during the pandemic and continue with increased Cybersecurity training and industry best practices.

## PUBLIC INFORMATION AND LEGISLATIVE LIAISON OFFICE

The Public Information Office (per O.C.G.A. §46-2-7) coordinates official Commission news releases, media contacts and, along with the Executive Secretary, maintains Commission public information files. The Office also helps produce much of the Commission's website content and manages the agency's internal communications. As the Commission's Legislative Liaison, the Office coordinates the Commission's legislative agenda and acts as the contact for legislators' needs within the Commission. In 2020 the Office responded to numerous legislator inquiries relating to constituent concerns, tracked numerous pieces of legislation that impact the agency and the utilities it regulates, provided daily legislative updates during the General Assembly session, and coordinated the Commission's analysis of and response to legislative proposals.

Local, state and national news media continued extensive coverage of Commission activities and proceedings including:

- Actions taken by the PSC to hold hearing virtually in response to the COVID-19 pandemic
- Continued monitoring of the Vogtle 3 and Vogtle 4 expansion projects
- A COVID-19 moratorium approved by the PSC that prevented Georgia Power and natural gas marketers from disconnecting utility service for nonpayment.
- Continuing efforts to ensure Georgia Power successfully, safely, and economically stores coal ash.
- The expansion of broadband internet service to Georgia's rural areas through the approval of Electric Membership Cooperatives introduction as broadband providers



- The approval of a six-year window when utilities wanting to provide broadband internet in areas currently unserved can attach to EMC-owned utility pole for only \$1 per year

In the 2020 General Assembly, legislators introduced a number of bills affecting state government, the Commission and utilities. The Commission monitored several bills including those described below.

### **PSC Related Legislation in 2020**

**Senate Bill 123** by Sen. William Ligon and others. Increases the surcharge for storing coal ash in municipal landfills in an effort to prevent the disposal of coal ash from other states into Georgia landfills. **Passes by substitute and signed by the Governor.**

**House Bill 244** by Rep. Ron Stephens and others. Requires the Public Service Commission to open a docket and hold hearings to set pole attachment rates for EMC owned utility poles to spur rural broadband. **Passed by substitute and signed by the Governor.**

**House Bill 761** by Sen. John Carson and others. Eliminates the cap on investments by EMC affiliates. **Passed by House, held in Senate Committee.**

**House Bill 857** by Rep. Alan Powell and others. Bans wood material laces with creosote from being burned in biomass energy plants. **Passed by substitute and signed by the Governor.**

**House Bill 952** by Rep. Penny Houston and others. Updates natural gas pipeline safety violation fines to comply with federal guidelines. **Passed by substitute and signed by the Governor.**

### **Legislation Affecting Agency Operations and State Employees**

**House Bill 792** by Rep. David Ralston and others. Amends the State's Fiscal Year 2020 spending plan. **Passed by substitute and signed by the Governor.**

**House Bill 793** by Rep. David Ralston and others. Sets the state budget for Fiscal Year 2021 beginning July 1, 2020. **Passed by substitute and signed by the Governor.**

## NOTEWORTHY COMMISSION ACTIVITIES IN 2020

### After Volatile Election Year, PSC Commissioners Remain the Same



The election year went into overtime, with long-time Commissioner Lauren “Bubba” McDonald in a runoff to retain his seat. Still, the two Georgia Public Service Commissioners who were up for re-election retained their seats after the final votes were tallied.

Commissioner Jason Shaw, who was appointed to the PSC in 2019, garnered 50.11-percent of the vote on Nov. 3. Commissioner McDonald remained just under the mandated majority win with 49.91 percent.

In the Jan. 5 runoff — where two U.S. Senate seats received nationwide attention — McDonald held off his challenger while the other two incumbents on the ballot fell short. McDonald received nearly 20,000 more votes than Sen. David Perdue and nearly 39,000 more votes than Sen. Kelly Loeffler, securing his role as PSC Commissioner for another six-year term. After all ballots were counted, nearly 4.5 million Georgians voted.

## **New PSC Chairman Named**



Every two years, the PSC Commissioners elect a chairman. For 2020-2022, Commissioner Chuck Eaton was selected by his peers. Commissioner Eaton, was first elected to the PSC in 2006. He previously served as chair in 2008-2009 and 2012-2016.

As the new chairman, his first order of business was to negotiate a new PSC budget based on Gov. Brian Kemp's proposed 2021 FY cuts. Chairman Eaton has also had the difficult task of guiding committee hearings and administrative sessions via online meetings, a first for the PSC.

## **PSC Makes Historic Decision on Pole Attachment Fees**



### **HB 244**

The Georgia Public Service Commission approved a policy for broadband expansion pursuant to House Bill 244 that requires Electric Membership Cooperatives to charge a simple \$1-per-year fee for entities to attach utility service to poles in areas "unserved" by broadband. The \$1 per year fee will be set for six years. Pole rates in areas currently served by broadband were set at \$27.71 per pole per year. This is an "at cost" fee to cover upkeep of the poles.

"Served" and "unserved" areas are determined by the Georgia Broadband Initiative map published by the Georgia Department of Community Affairs.

Fee rates have been a point of contention between telecom companies and EMCs for many years. As the vital need for broadband service in rural areas has begun to grow, the issue of pole attachment fees has become a major issue in Georgia.

## Commissioner Pridemore on the National Stage



Commissioner Tricia Pridemore co-wrote a paper for the National Association of Regulatory Utility Commissioners that seeks to improve awareness of artificial intelligence tools and practices among public utility commissions.

She was also appointed by NARUC to the Natural Gas Partnership with the U.S. Department of Energy, which facilitates the exchange of information on emerging regulatory and technological solutions to advance the safety, reliability, resilience, affordability and environmental performance of the nation's natural gas infrastructure.

The paper and the appointment are somewhat related. The NARUC paper cites three challenges common to natural gas distribution utilities: aging infrastructure replacement, excavator damage to underground infrastructure, and customer participation in energy efficiency programs. The Natural gas Partnership helps to facilitate the exchange of information on emerging regulatory and technological solutions to advance the performance of the nation's natural gas infrastructure.

## PSC Staffers Accept New Director Roles



When the Electric Unit Director left the Public Service Commission to enjoy her retirement, utilities analyst Rob Trokey was promoted into her position. At nearly the same time, the Commission voted to create a new department, the Energy Efficiency and Renewable Energy Unit. They put EERE manager and long-time PSC staffer Jamie Barber into the director position.

Barber started with the Commission in 1993 in the Fiscal Office. Since then, she has worked in the Electric Unit and the Natural Gas Unit. In 2010, she became manager of the ARRA/EERE Group. She has an MBA from University of West Georgia.

Trokey came to the Commission after working in the private sector, as well as the Colorado Office of Consumer Counsel, doing economic, accounting, and compliance work. He joined the Commission in 2007, working in the Electric Unit and holds a Master's in Economics.

## Commissioner Echols Welcomes TeenPact to the Commission



Long before **Tim Echols** became a PSC commissioner, he had a vision to help youths learn about the political process. In 1994, he started TeenPact Leadership Schools. The concept was to help young Georgians understand the political process, value their liberty, defend their Christian faith, and engage the culture. Now, TeenPact is active in 45 states where it offers students ages 13-19 hands-on learning experiences in state capitols.

The inaugural TeenPact class had 18 students. In early 2020 (before the COVID-19 pandemic), more than 100 youths filled the PSC hearing room and listened to Georgia politicians including Georgia Supreme Court Chief Justice Harold Melton and each of the five PSC Commissioners.

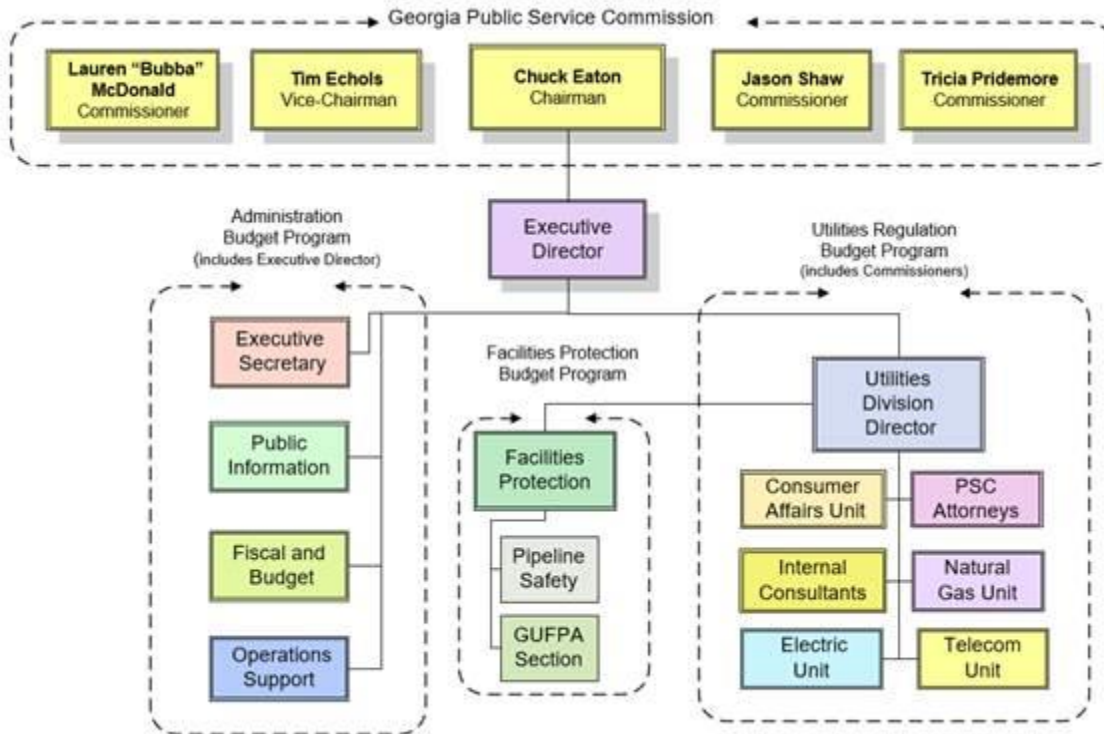
**AGENCY BUDGET**  
**Fiscal Year 2021**  
**Budget**

	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021(AOB)</b>
<b>Revenue</b>			
General Assembly Appropriations	\$9,699,991	\$9,891,437	\$9,493,797
Federal and Other Funds	\$2,232,158	\$1,510,415	\$1,343,100
<b>Total</b>	<b>\$11,932,149</b>	<b>\$11,401,852</b>	<b>\$10,836,897</b>
<b>Budgeted Expenditures</b>			
Personal Services	\$9,587,555	\$9,826,136	\$9,688,420
Regular Operating Expenses	\$501,926	\$318,645	\$253,439
Motor Vehicle Purchases	\$0	\$0	\$0
Equipment	\$260,235	\$40,515	\$9,000
Computer Charges	\$163,806	\$209,961	\$157,885
Real Estate Rental	\$679,557	\$688,342	\$527,342
Telecommunications	\$102,177	\$105,038	\$96,000
Contractual Services	\$636,893	\$213,215	\$104,811
<b>Total</b>	<b>\$11,932,149</b>	<b>\$11,401,852</b>	<b>\$10,836,897</b>
<b>Associated Revenue</b>			
Regulatory Assessment Fees	\$1,050,000	\$1,050,000	\$1,050,000
Paid Directly to Dept. of Revenue			
Penalties and Fees Collected and Remitted to State Treasury	\$522,794	\$521,305	\$300,310
<b>Total</b>	<b>\$1,572,794</b>	<b>\$1,571,305</b>	<b>\$1,350,310</b>

**Note: Penalties and Fees  
Collected in FY 2021 through  
December 31, 2020**



# PSC ORGANIZATIONAL CHART 2020



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